



MARATHON OIL COMPANY

PRODUCTION - UNITED STATES AND CANADA

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.,
Secretary-Director

DHC-95
Due Sept 19
P. O. Box 2409
Hobbs, New Mexico
August 26, 1971

RECEIVED
AUG 30 1971

Re: Application for Downhole
Commingling-Hansen St. No. 5,
Unit H, Sec.16,T.20S,R.37E,
Lea County, New Mexico

Gentlemen:

Marathon Oil Company, as operator of the Hansen State Lease, respectfully requests administrative approval under the provisions of Order No. R-3845, to commingle in the wellbore production from the Monument Grayburg San Andres Oil and Monument Tubb Oil Pools in the above captioned well. This dually completed well was authorized by Administrative Order No. MC-1369 dated August 26, 1963. Attached is a plat of the Hansen State Lease outlined in yellow with the subject well circled in red.

The Monument Grayburg San Andres Oil completion is currently being gas lifted, but will require a beam type pumping unit in the very near future, due to lack of high pressure gas for lifting purposes. This zone is capable of producing 15 BOPD, 17 1/2 BWPD, and 94 MCFPD of gas according to test data obtained July 8, 1971. The Monument Tubb Oil completion has been dead since December, 1969, and is uneconomic to place on artificial lift. Prior to dying, the Tubb completion was capable of flowing an average of 10 BOPD, 6 BWPD and 26 MCFPD of gas. Attached is a Form C-116 indicating the latest well test on the Monument Grayburg San Andres Oil completion and two production decline curves, one for each zone. It is anticipated that production from this well will pump an average 25 BOPD and 23 1/2 BWPD after commingling.

Fluids produced from these two pools have been commingled at the tank battery since January, 1970, with no indication of incompatibility. Both crudes are typical Permian high gravity crude and since the Tubb completion is uneconomic to place on artificial lift, revenue will be gained rather than lost as a result of this proposed commingling.

Bottomhole pressure for the Monument Grayburg San Andres Oil completion in Marathon's well is estimated to be 690 psig (after 24 hours shut-in) based on March, 1971, BHP data from Skelly Oil Company's Van Etten Well No. 7, located in Unit I, Section 9, T.20S, R.37E. Bottomhole pressure for the Tubb completion in Marathon's well is

NMOCC-Santa Fe
Commingle Hansen St. No. 5

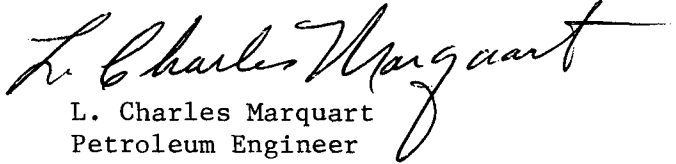
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estimated to be 1150 psig (after 72 hours shut-in) based on March, 1971 Bottomhole pressure data from Mallard Petroleum Company's Laughlin Well No. 1 located in Unit H, Section 9, T.20S, R.37E.

Your further handling and approval of this application will be sincerely appreciated.

Yours very truly,

MARATHON OIL COMPANY


L. Charles Marquart
Petroleum Engineer

LCM:bje

xc: NMOCC-Santa Fe 0/1
NMOCC-Hobbs
R. W. Parker
R. M. Young
Offset Operators (Attached)
File

DISTRIBUTION OF OFFSET OPERATORS

Skelly Oil Company
P. O. Box 1727
Midland, Texas 79701

Continental Oil Company
P. O. Box 427
Hobbs, New Mexico 88240

Amerada Hess
P. O. Box 312
6th Floor Pet. Life Building
Midland, Texas 79701

Getty Oil Company
P. O. Box 249
Hobbs, New Mexico 88240

Bruce A. Wilbanks
800 Building of SW
Midland, Texas 79701

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County		Lea									
Marathon Oil Company		Monument Grbg. SA Oil - Monument Tubb Oil													
Address		P. O. Box 2409, Hobbs, New Mexico		TYPE OF TEST - (X)		Completion <input type="checkbox"/> Special <input type="checkbox"/>									
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL.		
		U	S	T						R	WATER BBLs.	GRAV. OIL		OIL BBLs.	GAS M.C.F.
<u>Monument Grbg. S.A. Oil</u>															
Hansen State	5	H	16	20S	37E	7-8	G 5/8	150	17	24	17.5	34	15	93.68	6245
<u>Monument Tubb Oil</u>															
Hansen State	5	H	16	20S	37E	DEAD									

Note: Tests were obtained during the 1971 GOR survey

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

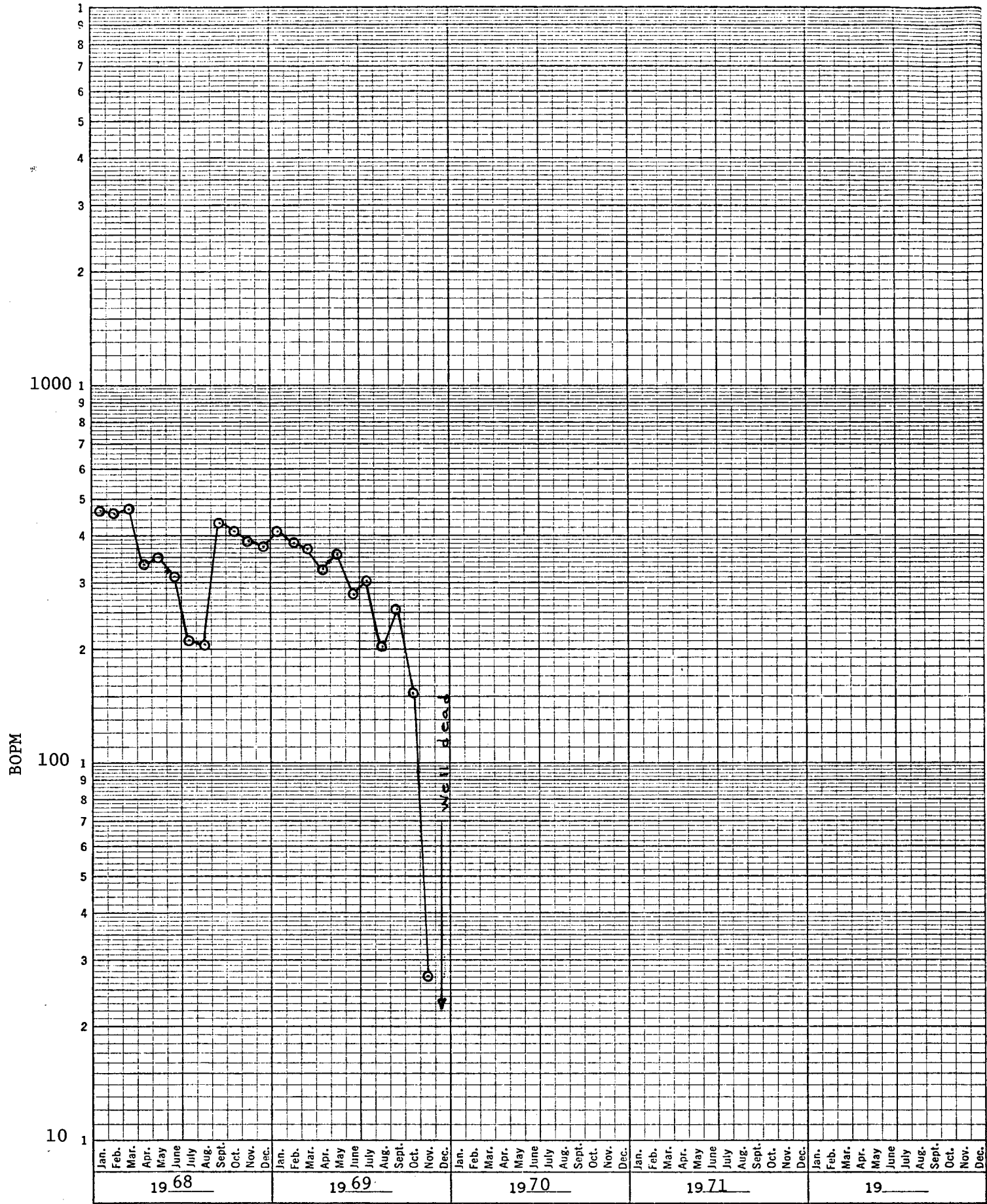
No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

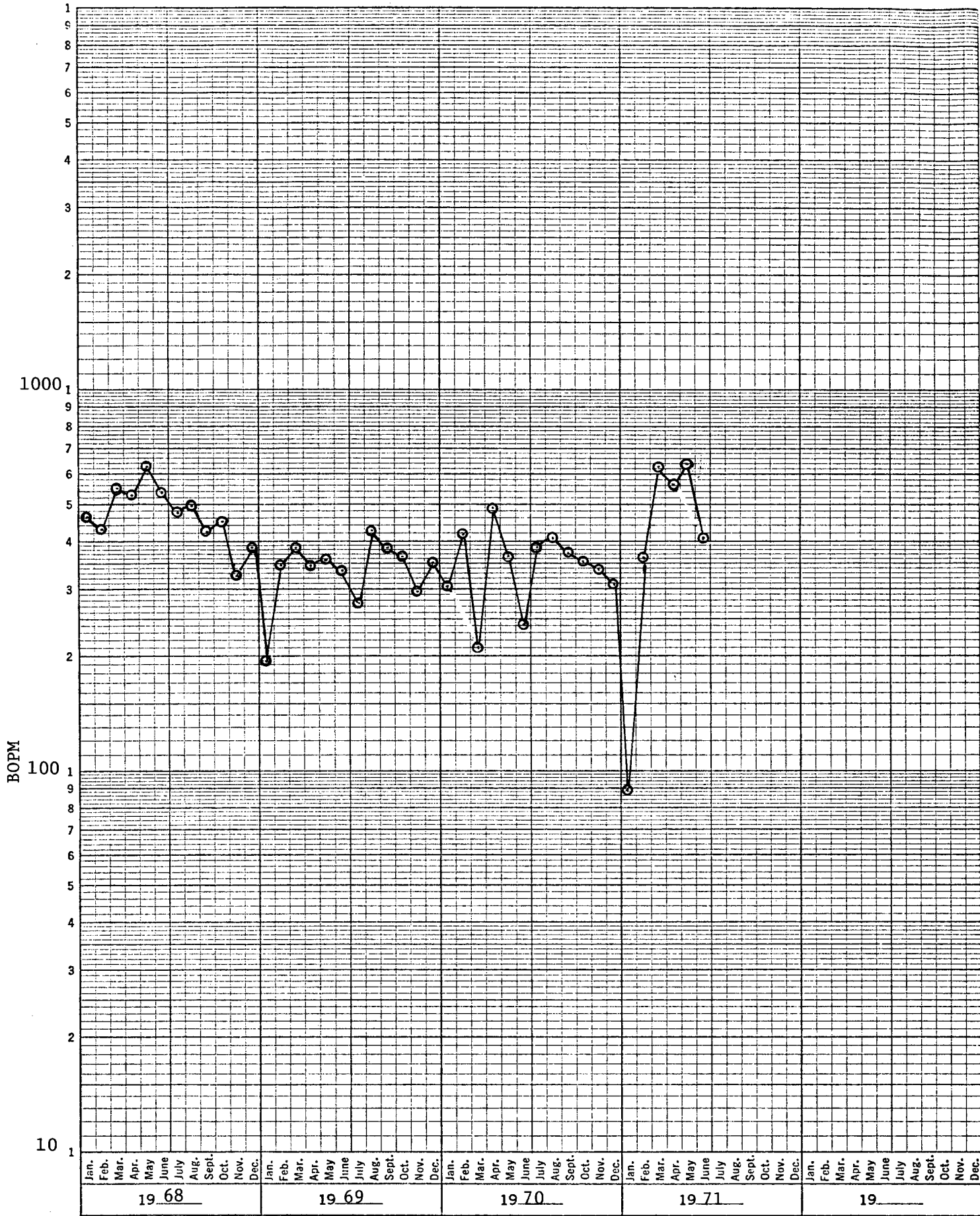
Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

L. Charles Mangum
(Signature)
Petroleum Engineer
(Title)
August 26, 1971
(Date)

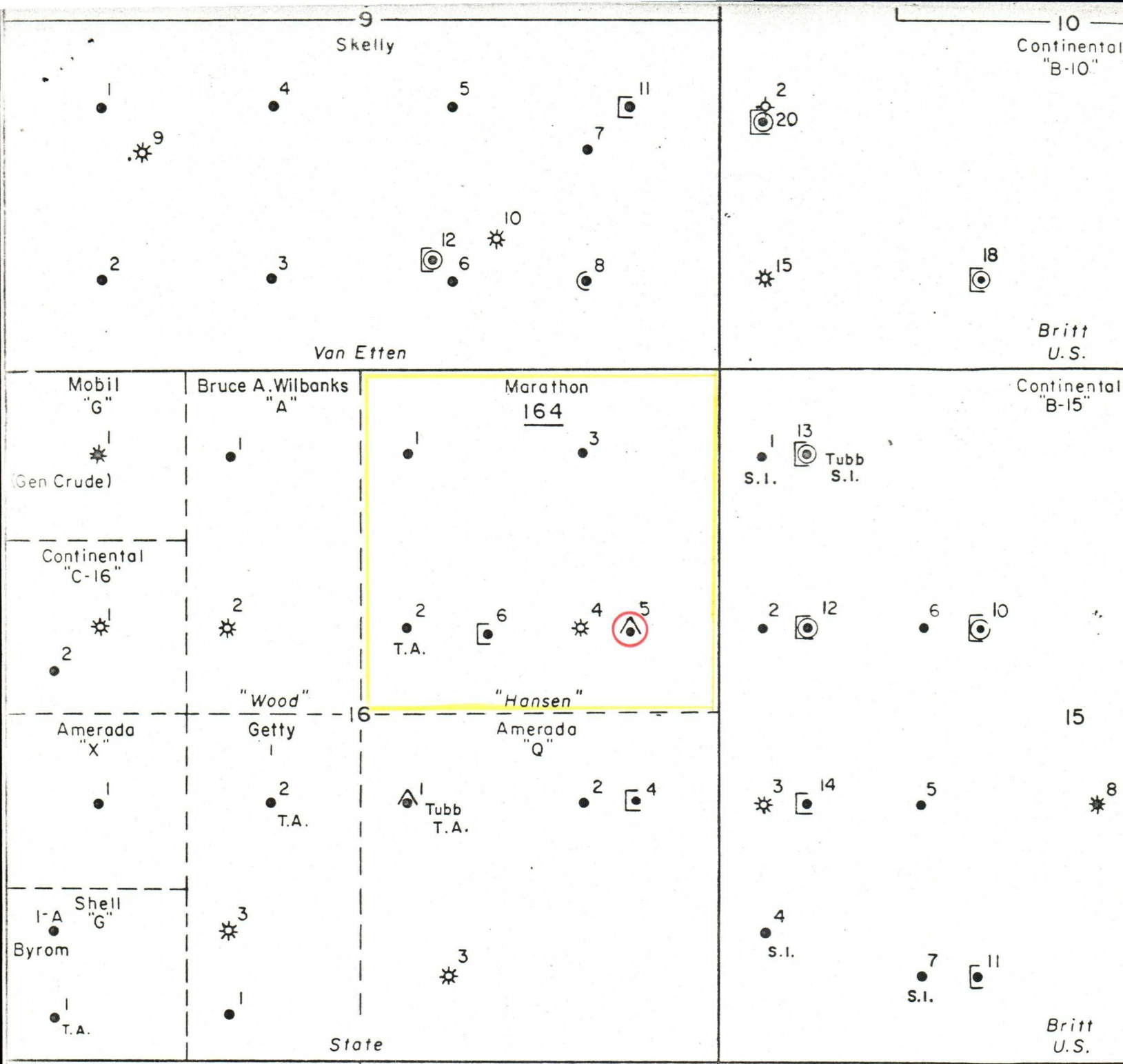


MARATHON OIL COMPANY
HANSEN STATE WELL NO. 5
MONUMENT TUBB OIL COMPLETION

MONTHLY OIL PRODUCTION VS. TIME



MARATHON OIL COMPANY
HANSEN STATE WELL NO. 5
MONUMENT GRAYBURG SAN ANDRES OIL COMPLETION
MONTHLY OIL PRODUCTION VS. TIME



LEGEND

- * EUMONT GAS (YATES, SEVEN RIVERS, QUEEN)
- MONUMENT OIL (GRAYBURG, SAN ANDRES)
- ⊙ WEIR BLINEBRY OIL
- ◻ MONUMENT TUBB OIL
- * DUAL-EUMONT GAS, MONUMENT OIL
- ⊙ DUAL-MONUMENT OIL, MONUMENT TUBB OIL
- ⊙ DUAL-MONUMENT TUBB OIL, WEIR BLINEBRY OIL

MARATHON OIL COMPANY

MONUMENT FIELD
MARATHON HANSEN STATE LEASE
Sec. 16, T-20-S, R-37-E
LEA COUNTY, NEW MEXICO

Scale 1" = 1000'