## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director Oil Conservation Division



November 16, 2018

Surface Commingling Order PLC-531

MARATHON OIL PERMIAN LLC Attention: Ms. Jennifer Van Curen

Pursuant to your application received on October 26, 2018, Marathon Oil Permian LLC (OGRID 372098) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Section 23, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico;

PIERCE CROSSING; BONE SPRING, NORTH (96448) PURPLE SAGE; WOLFCAMP (GAS) (98220)

and from the following diversely owned fee wells and leases in said Section, Township, and Range in Eddy County, New Mexico.

Lease: Fiddle Fee 24 28 23 TB Well No. 2H Lease

Description: N/2 N/2 of Section 23

Well: Fiddle Fee 24 28 23 TB Well No. 2H API 30-015-44540

Pool: Pierce Crossing; Bone Spring, North

Lease: Fiddle Fee 24 28 23 WA Well No. 6H

Description: N/2 of Section 23

Wells: Fiddle Fee 24 28 23 WA Well No. 6H API 30-015-44541

Fiddle Fee 24 28 23 WXY Well No. 9H API 30-015-44542

Pool: Purple Sage; Wolfcamp (Gas)

The commingled oil and gas production from the wells shall be measured and sold at the Fiddle Fee 2H, 6H, 9H Central Tank Battery (CTB), located in Unit D of Section 23, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

Subsequently drilled wells that produce from the subject pool within the horizontal spacing units approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division District Office – Artesia