



PO Box 2409
Hobbs New Mexico 88240
Telephone 505/393 7106

August 5, 1976

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

ATTENTION: Mr. Joe D. Ramey, Director

Re: On-Lease Commingling, Marathon Oil Company, Walter Lynch Lease,
Drinkard Field, Lea County, New Mexico

Gentlemen:

Marathon Oil Company respectfully requests administrative approval of an exception to Rule 303A of the Commission Rules and Regulations to permit the on-lease, surface commingling of the Blinebry, Tubb, Drinkard, and Wantz Granite Wash liquid hydrocarbons produced on Marathon's Walter Lynch Lease. This lease is described as in the NW/4 of Section 1, Township 22-South, Range 37-East, Lea County, New Mexico.

Attached hereto is a plat showing the wells on the subject lease, the offset wells, and the pool(s) that each well on the subject lease is completed in. Also attached is a diagrammatic sketch of the proposed commingling facility showing it to be of an acceptable design in accordance with the Commission "Manual for the Installation and Operation of Commingling Facilities."

All the wells operated by Marathon on the subject lease are marginal producers. Shown below are the average daily production rates from each well.

<u>Pool</u>	<u>Well No.</u>	<u>Daily Average Prod.</u>
Granite Wash	5	10.5*
	6	46*
Drinkard	6	5.6*
Tubb	4	1**
Blinebry	4	10**

*Average for the 60-day period ending May 1976.

**Anticipated daily average, well recently reworked.

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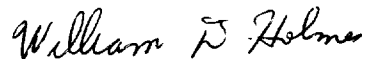
Since only a small volume of high gravity condensate from the Tubb and Blinebry is involved, the mixing of these crudes will not affect the anticipated income from the lease.

The ownership of the wells operated by Marathon on the subject lease, along with the royalty ownership, are common throughout.

To allocate the production to the proper well and pool, Marathon proposes to monitor each completion's producing potential by periodic well tests.

Very truly yours,

MARATHON OIL COMPANY

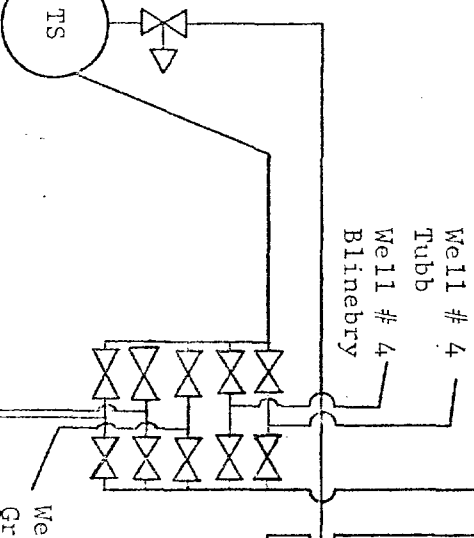
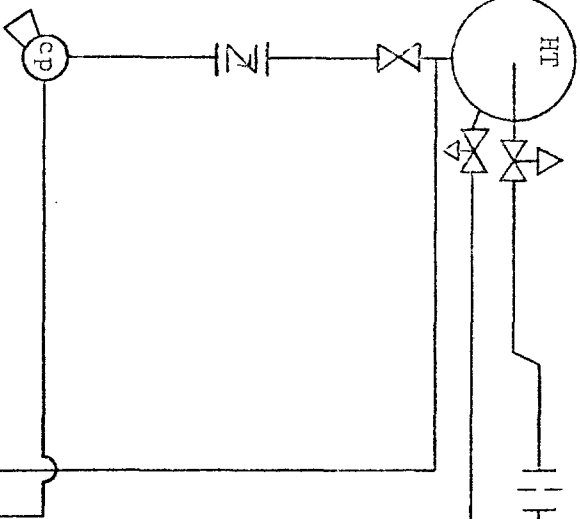
A handwritten signature in cursive script that reads "William D. Holmes".

William D. Holmes
Petroleum Engineer

WDH:mfm
Enclosures

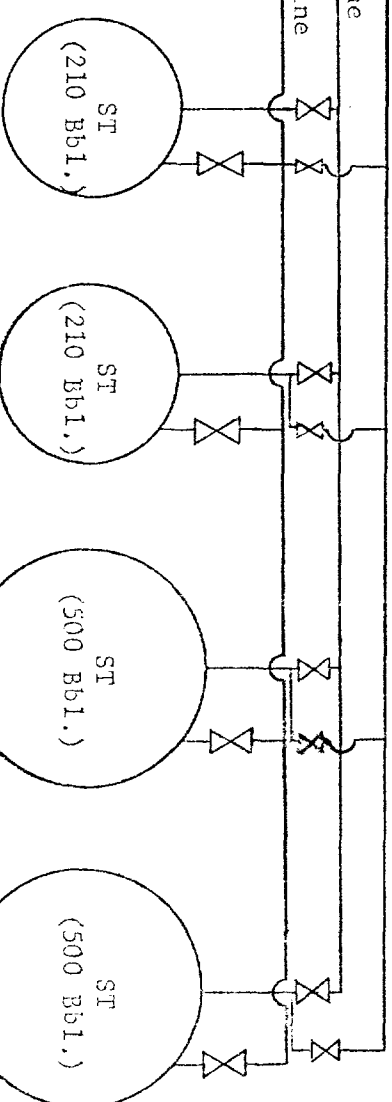
Water →

→ To Gas Sales



Well # 6
Granite Wash
Drinkard

Production Line
Test Line
Circ. Line

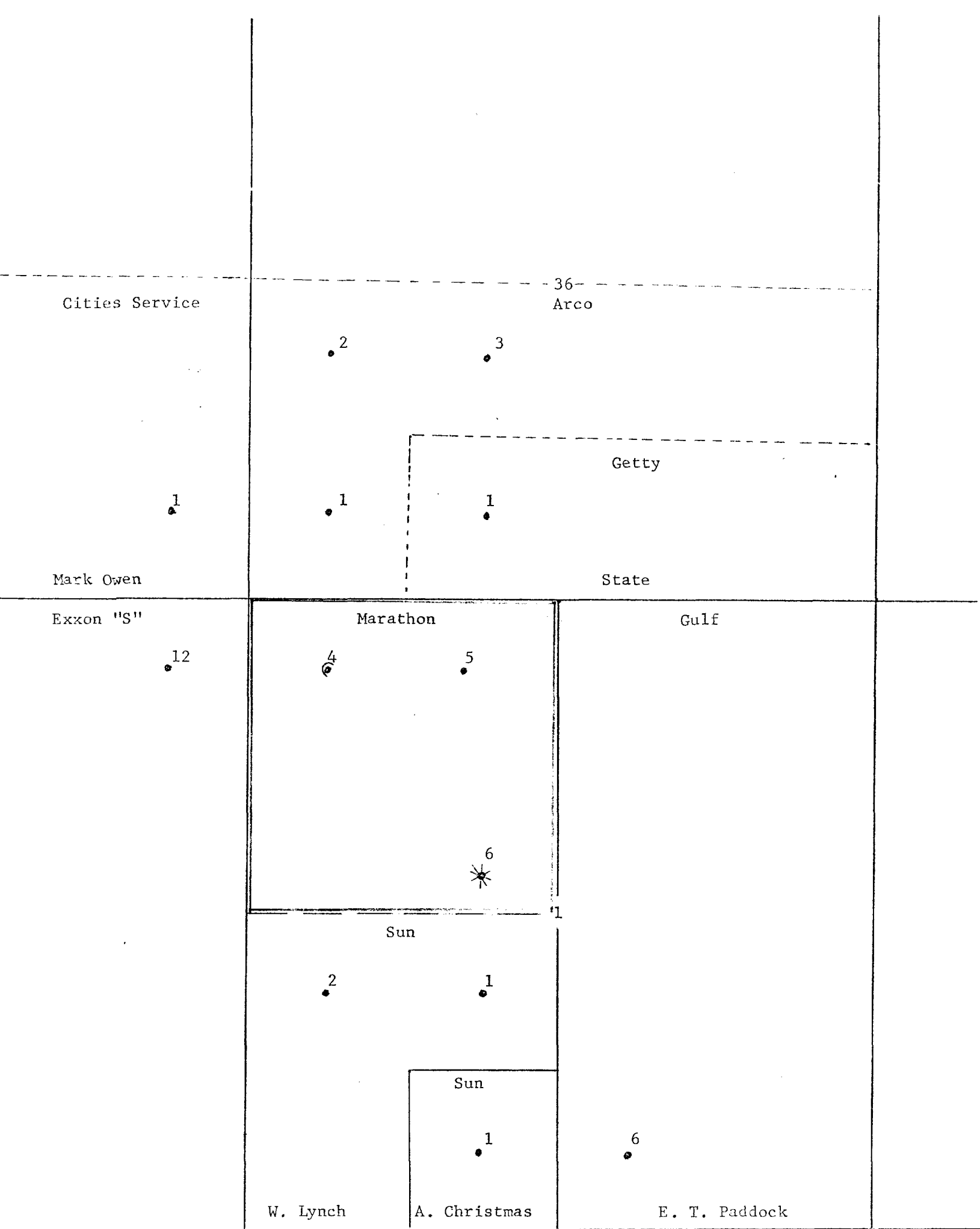


LEGEND:

- Check Valve
- Block Valve
- Dump or Back-Press. Valve
- Gas Meter Run
- Test Separator
- Water-Treater
- Stock Tank
- Circulation Pump

"Schematic Diagram of Proposed
Drinkard Oil - Granite Wash Oil-
Tubb Condensate - Blinebry Condensate
Commingle Tank Battery"
Walter Lynch Lease (160 Acres)
NW Quarter, Section 1 - T22S - R37E
Lea County, New Mexico

Handwritten:
4 5 6
Tubbs Wash
4 6
DL
DL



DRINKARD FIELD AREA
MARATHON OIL COMPANY
WALTER LYNCH LEASE
Sec.1, T-22-S, R-37-E
LEA COUNTY, NEW MEXICO

Scale 1" = 1000'