

SURFACE COMMINGLING

Blue Steel 21 WXY Fed Com 12H; WA 14H; WA 15H; WXY 18H; Blue Steel BS Fed Com 503H; 504H

Marathon Oil Permian LLC is requesting to surface commingle and off-lease storage under 19.15.12.10(C) NMAC for Commingling with Diverse Ownership.

This will be a revision from the existing administrative order OLM-223

The approval of this commingle will not affect the value of oil and gas.

Please see below for details:

Marathon Oil Permian LLC will be using the metering method to measure and allocate production. Please see below for Method of Allocation.

List of Wells, Leases, and Pools to be commingled:

WELL NAME	API #	LEASE	POOL (CODE)
Blue Steel 21 WXY Fed Com 12H	30-015-45896	CA Pending - NMNM 144077	PURPLE SAGE; WOLFCAMP (GAS) (98220)
Blue Steel 21 WA Fed Com 14H	30-015-45898	CA Pending - NMNM 144077	PURPLE SAGE; WOLFCAMP (GAS) (98220)
Blue Steel 21 WA Fed Com 15H	30-015-45899	CA Pending - NMNM 144077	PURPLE SAGE; WOLFCAMP (GAS) (98220)
Blue Steel 21 WXY Fed Com 18H	30-015-46209	CA Pending - NMNM 144077	PURPLE SAGE; WOLFCAMP (GAS) (98220)
Blue Steel BS Fed Com 503H	30-015-53782	CA Pending E2 of Sec 21,16 T23S, 29E	LAGUNA SALADO; BONE SPRING (96721)
Blue Steel BS Fed Com 504H	30-015-53781	CA Pending E2 of Sec 21,16 T23S, 29E	LAGUNA SALADO; BONE SPRING (96721)

The BLUE STEEL FED COM CTB is located at UL. A-Sec.28-T26S-R35E.

Future additions:

Pursuant to Statewide rule 19.15.12.10(C)(4)(g) NMAC, Marathon Oil Permian LLC requests option to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by submitting a Form C-107-B provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.

Furthermore, Marathon Oil Permian LLC request to be able to add wells from pools and leases identified in the application by submitting a subsequent sundry C-103 and C-102 to the NMOCD.

SURFACE COMMINGLING

Blue Steel 21 WXY Fed Com 12H; WA 14H; WA 15H; WXY 18H; Blue Steel BS Fed Com 503H; 504H

OIL ALLOCATION METHODOLOGY

Each well has a Coriolis meter at the three-phase separator that measures oil produced by the well. This volume is used to determine the theoretical percentage each well produced and is used to allocate Calculated Production and Total Sales Volumes back to each well.

- A. Theoretical % of production for each well is calculated by dividing each oil meter volume by the sum of the oil meters.
- B. Total Production of the facility is calculated by adding Ending Inventory plus LACT Sales Meter minus Beginning Inventory.
- C. Total Available Sale is calculated by adding Total Production plus Beginning Inventory.
- D. Theoretical % for each well is multiplied by the Total Production and Total Available Sales.
- E. Total Oil Sales is oil measured through the LACT meter. Volumes are verified with the LACT tickets.
- F. Beginning Inventory comes from previous accounting period's Closing Inventory for each well.
- G. Ending Inventory is calculated by measuring the height of oil in the tanks. Ending Inventory for each well is calculated by multiplying the Theoretical % of Production by total of ending inventory.

GAS ALLOCATION METHODOLOGY

Each well has an orifice meter and a gas lift meter. The facility has a Sales meter that measures volume of gas before it leaves the facility.

- A. Net Well Production is base amount of production not used for gas lift and is calculated by subtracting Gas Lift (GL) metered volume from the Orifice meter readings.
- B. Theoretical % used for the allocation is calculated by dividing the Net Well Production Volume for each well into the sum of the total Net Well Production.
- C. Net Facility Gas is volume of gas sold for royalty purposes and is measured with a meter as it leaves the facility. This volume is verified with purchaser statements.
- D. Theoretical % for each well is multiplied by the Net Facility Gas to determine Sales, Lease Fuel for each well.
- E. Lease Use is the volume of gas used by the equipment on the facility.
- F. Gas used to run other equipment is measured via an orifice meter. Total Lease Use gas is allocated to the well based on the wells Theoretical %.
- G. HP Flare is volume of gas flared from the facility, allocated to wells by Theoretical % for each well times the Flare Meter volume.
- H. Individual Compressor usage is based on manufacturer's usage rate applied to compressor run time. Total Compressor Use is calculated by adding Individual Compressor Usage and allocated to wells by Theoretical %.
- I. Allocated Production is all gas produced by the facility and is calculated by adding Net Facility Gas plus HP Flare plus Lease Use.

SURFACE COMMINGLING

Blue Steel 21 WXY Fed Com 12H; WA 14H; WA 15H; WXY 18H; Blue Steel BS Fed Com 503H; 504H

WATER ALLOCATION METHODOLOGY

Each well has a mag meter at the three-phase separator that measures the volume of water produced by the well.

A. Water Production is the volume of water measured at the mag meter.

All meter proving and calibration frequencies will be performed as per 19.15.12.10(C)(2) NMAC.

Attachments:

- Notification to interest owners via Certified Mail
- Notification to BLM
- Notification to State Land Office.
- Lease Map
- Facility Diagram
- C-102 Plats



Nicole Lee

Regulatory Compliance Representative

Marathon Oil Company

990 Town & Country Blvd.

Houston, TX 77024

Telephone 713.296.3368

njlee@marathonoil.com

DELIVERED VIA:
Certified Mail

September 28, 2023

Marathon Oil Permian LLC Application for Surface Commingle and Off-Lease Storage and Measurement

Blue Steel 21 WXY Fed Com 12H (API 30-015-45896)

Blue Steel 21 WA Fed Com 14H (API 30-015-45898)

Blue Steel 21 WA Fed Com 15H (API 30-015-45899)

Blue Steel 21 WXY Fed Com 18H (API 30-015-46209)

Blue Steel BS Fed Com 503H (API 30-015-53782)

Blue Steel BS Fed Com 504H (API 30-015-53781)

Section 28-T26S-R35E

Eddy County, New Mexico

To whom it may concern:

Marathon Oil Permian LLC ("Marathon") has filed the attached application with the New Mexico Oil Conservation Division ("Division") for administrative approval to surface commingle and off lease storage and measurement according to the provisions of NMAC 19.15.12.10 from the wells listed above, located in the PURPLE SAGE; WOLFCAMP (GAS) (98220) and LAGUNA SALADO; BONE SPRING (96721) pool, located in Section 28, T26S-R35E, Eddy County, New Mexico.

As an interest owner in these wells, Marathon is required to notify you of this application. Should you have an objection you must file it in writing with the Division no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, NM 87505).

Should you have any questions please do not hesitate to contact me at 713-296-2169 or by email at njlee@marathonoil.com.

Sincerely,

MARATHON OIL COMPANY

Nicole Lee

Nicole Lee

Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
09/28/2023

Firm Mailing Book ID: 253204

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0112 5866 87	Commissioner of Public Lands attn: Commingling Manager PO Box 1148 Santa Fe NM 87504	\$1.83	\$4.35	\$2.20	\$0.00	81363.0152. Notice
2	9314 8699 0430 0112 5866 94	Devon Energy Production Company, L.P. 20 N. Broadway Ave. Oklahoma City OK 73102	\$1.83	\$4.35	\$2.20	\$0.00	81363.0152. Notice
3	9314 8699 0430 0112 5867 00	NOVO Minerals, LP 1001 West Wilshire Boulevard, Suite 206 Oklahoma City OK 73116	\$1.83	\$4.35	\$2.20	\$0.00	81363.0152. Notice
Totals:			\$5.49	\$13.05	\$6.60	\$0.00	
Grand Total:						\$25.14	

List Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster: Name of receiving employee	Dated:
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3



Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2		5. Lease Serial No.
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator		7. If Unit of CA/Agreement, Name and/or No.
3a. Address		8. Well Name and No.
3b. Phone No. (include area code)		9. API Well No.
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)		10. Field and Pool or Exploratory Area
		11. Country or Parish, State

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)		
	Title	
Signature	Date	

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Batch Well Data

BLUE STEEL 21 WA FED COM 14H, US Well Number: 3001545898, Case Number: NMNM86024, Lease Number: NMNM86024,
Operator:MARATHON OIL PERMIAN LLC

BLUE STEEL 21 WA FED COM 15H, US Well Number: 3001545899, Case Number: NMNM119272, Lease Number: NMNM119272,
Operator:MARATHON OIL PERMIAN LLC

BLUE STEEL 21 WXY FED COM 12H, US Well Number: 3001545896, Case Number: NMNM86024, Lease Number: NMNM86024,
Operator:MARATHON OIL PERMIAN LLC

BLUE STEEL 21 WXY FED COM 18H, US Well Number: 3001546209, Case Number: NMNM119272, Lease Number: NMNM119272,
Operator:MARATHON OIL PERMIAN LLC

BLUE STEEL 21 WD FED COM 11H, US Well Number: 3001553781, Case Number: NMNM119272, Lease Number: NMNM119272,
Operator:MARATHON OIL PERMIAN LLC

BLUE STEEL 21 WD FED COM 24H, US Well Number: 3001553782, Case Number: NMNM119272, Lease Number: NMNM119272,
Operator:MARATHON OIL PERMIAN LLC

CONFIDENTIAL



APPLICATION FOR
COMMINGLING AND OFF-LEASE STORAGE
ON STATE TRUST LANDS



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

Applicant: Marathon Oil Permian LLC

OGRID #: 372098

Well Name: Blue Steel 21 WXY Fed Com 12H; WA 14H; WA 15H; WXY 18H; Blue Steel BS Fed Com 503H; 504H

API #: 30-015-45896; 45898; 45899; 46209; 53782; 53781

Pool: Purple Sage; Wolfcamp (Gas); LAGUNA SALADO; BONE SPRING

OPERATOR NAME: Marathon Oil Permian LLC

OPERATOR ADDRESS: 990 Town & Country Blvd. Houston, TX 77024

APPLICATION REQUIREMENTS – SUBMIT:

- 1. New Mexico Oil Conservation Division (NMOCD) application packet (or equivalent information if no application is required by NMOCD),
2. Commingling application fee of \$150.

CERTIFICATION: To the best of my knowledge,

- All business leases and rights-of-way necessary for conducting the proposed operation on State Trust lands have been applied for or obtained,
The information submitted with this application is accurate and complete, and
No loss will accrue to the state of New Mexico as a result of the proposed operation.

I also understand that no action will be taken on this application until the required information and fee are submitted to the State Land Office.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Nicole Lee

Print or Type Name

Signature

9/12/2023

Date

832-370-2579

Phone Number

njlee@marathonoil.com

e-mail Address

Submit application to:
Commissioner of Public Lands
Attn: Commingling Manager
PO Box 1148
Santa Fe, NM 87504-1148

Questions?
Contact the Commingling Manager:
505.827.5791

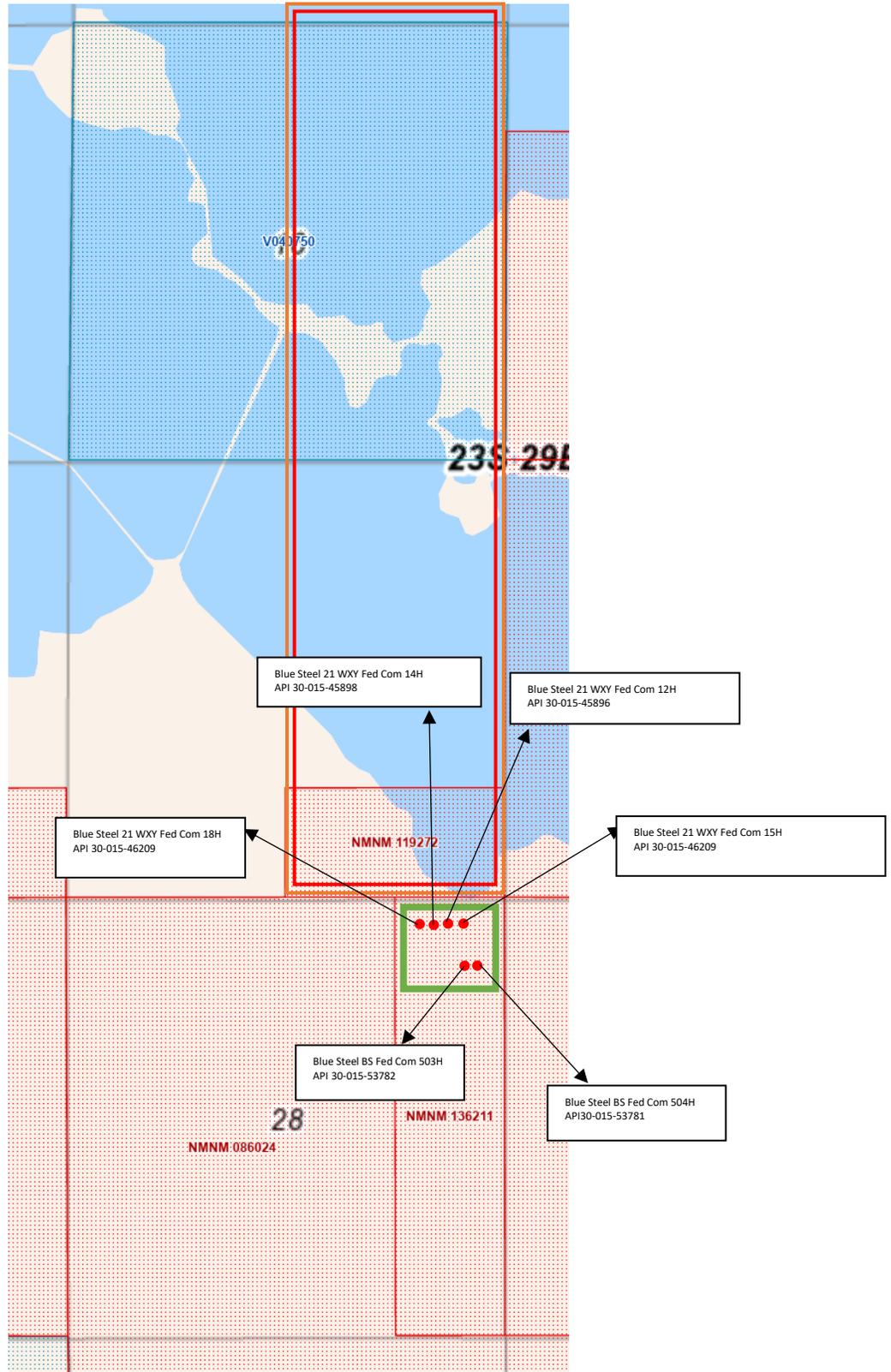
Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.

SURFACE COMMINGLING

Blue Steel 21 WXY Fed Com 12H; WA 14H; WA 15H; WXY 18H; Blue Steel BS Fed Com 503H; 504H

Lease Map

- CA Pending (Wolfcamp)
- CA Pending (Bone Spring)
- Colossus 18-19 Fed Com Pad
- Wells ●



RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: _____ **OGRID Number:** _____
Well Name: _____ **API:** _____
Pool: _____ **Pool Code:** _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

 Print or Type Name

Date

 Signature

Phone Number

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Marathon Oil Permian LLC (372098)
OPERATOR ADDRESS: 990 Town & Country Blvd. Houston, TX 77024
APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. OLM-223
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Purple Sage; Wolfcamp (Gas) (98220)	51.12/1362	51.12/1362			
Laguna Salado; Bone Spring (96721)	51.12/1362				

(2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

(1) Pool Name and Code.
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Nicole Lee TITLE: Regulatory Analyst DATE: 9/12/2023
TYPE OR PRINT NAME Nicole Lee TELEPHONE NO.: 832-370-2579
E-MAIL ADDRESS: njlee@marathonoil.com

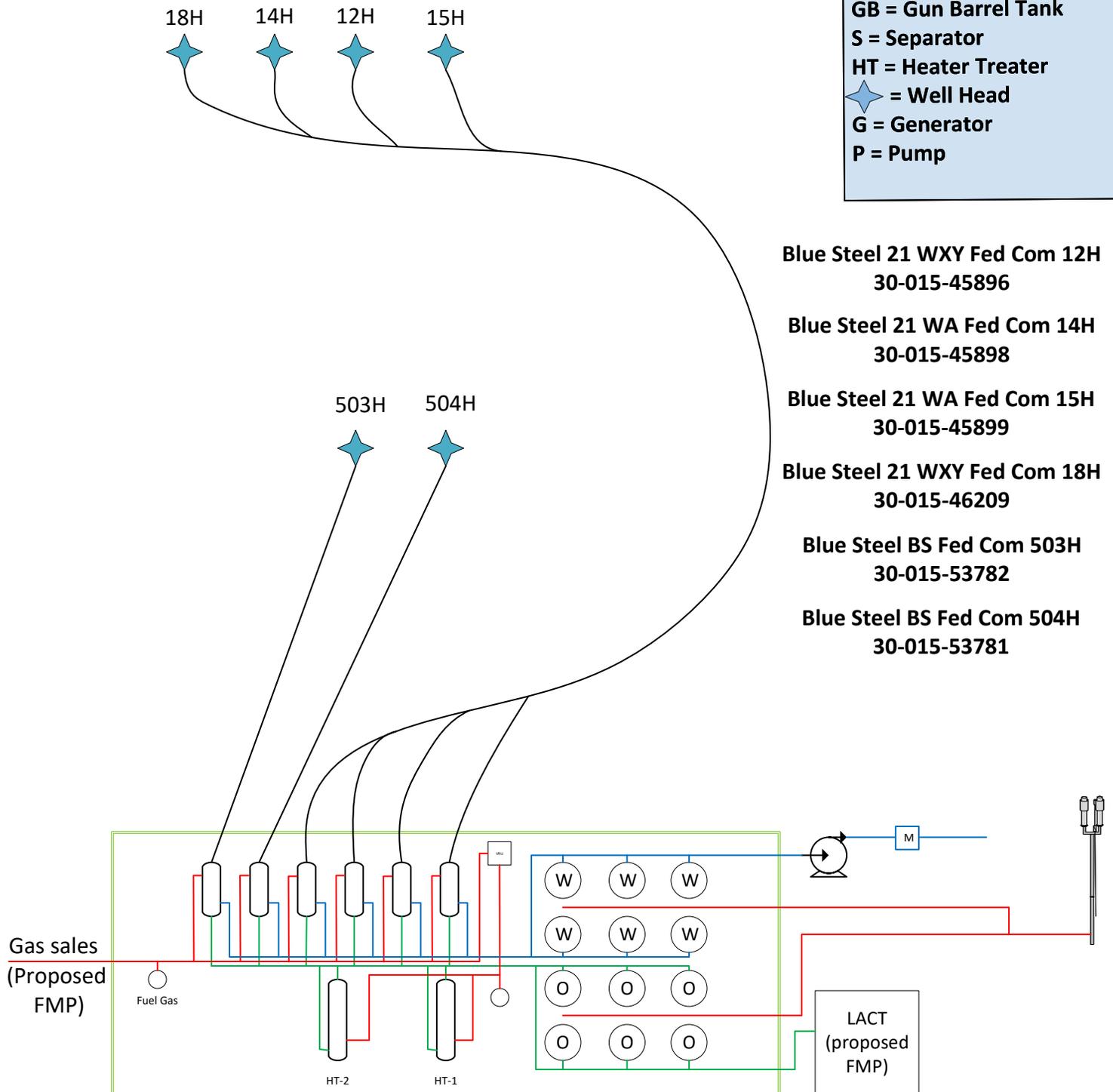


BLUE STEEL FED COM CTB



LEGEND

- W = Water Storage Tank
- O = Oil Storage Tank
- GB = Gun Barrel Tank
- S = Separator
- HT = Heater Treater
- ◆ = Well Head
- G = Generator
- P = Pump



Blue Steel 21 WXY Fed Com 12H
30-015-45896

Blue Steel 21 WA Fed Com 14H
30-015-45898

Blue Steel 21 WA Fed Com 15H
30-015-45899

Blue Steel 21 WXY Fed Com 18H
30-015-46209

Blue Steel BS Fed Com 503H
30-015-53782

Blue Steel BS Fed Com 504H
30-015-53781

1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-46209		² Pool Code 98220		³ Pool Name Purple Sage; Wolfcamp (Gas)	
⁴ Property Code 325763		Property Name Blue Steel 21 WXY Fed Com			⁶ Well Number 18H
⁷ OGRID No. 372098		⁸ Operator Name MARATHON OIL PERMIAN LLC			⁹ Elevation 2998'

¹⁰ Surface Location

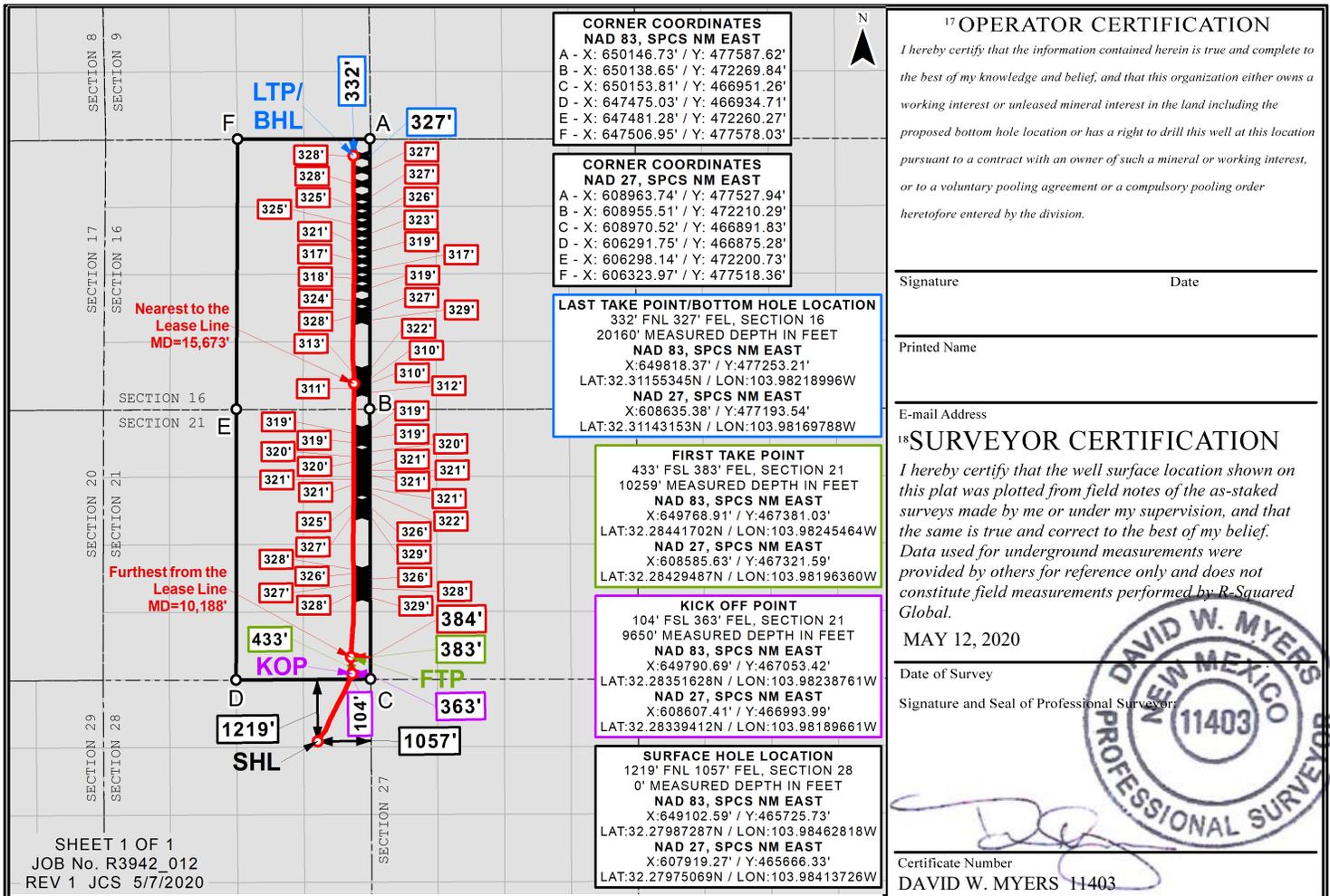
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	23S	29E		1219	NORTH	1057	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	16	23S	29E		332	NORTH	327	EAST	EDDY

¹² Dedicated Acres 640.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.9997823 Convergence Angle: 00°11'10.61002"

1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-45898		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)	
⁴ Property Code		Property Name BLUE STEEL 21 WA FED COM			⁶ Well Number 14H
⁷ OGRID No. 372098		⁸ Operator Name MARATHON OIL PERMIAN LLC			⁹ Elevation 2998'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	23S	29E		1219	NORTH	1027	EAST	EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	23S	29E		331	NORTH	2300	EAST	EDDY
¹² Dedicated Acres 640.0		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 650146.73' / Y: 477587.62' B - X: 650138.65' / Y: 472269.84' C - X: 650153.81' / Y: 466951.26' D - X: 647475.03' / Y: 466934.71' E - X: 647481.28' / Y: 472260.27' F - X: 647506.95' / Y: 477578.03'</p>	<p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 608963.74' / Y: 477527.94' B - X: 608955.51' / Y: 472210.29' C - X: 608970.52' / Y: 466891.83' D - X: 606291.75' / Y: 466875.28' E - X: 606298.14' / Y: 472200.73' F - X: 606323.97' / Y: 477518.36'</p>			<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p>
<p>LAST TAKE POINT/BOTTOM HOLE LOCATION 331' FNL 2300' FEL, SECTION 16 20353' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X: 647845.89' / Y: 477248.42' LAT: 32.31155790N / LON: 103.98857467W NAD 27, SPCS NM EAST X: 606662.90' / Y: 477188.76' LAT: 32.31143600N / LON: 103.98808244W</p>		<p>Signature _____ Date _____ Printed Name _____ E-mail Address _____</p>		
<p>FIRST TAKE POINT 330' FSL 2359' FEL, SECTION 21 10310' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X: 647795.34' / Y: 467266.69' LAT: 32.28412032N / LON: 103.98884210W NAD 27, SPCS NM EAST X: 606612.07' / Y: 467207.26' LAT: 32.28399819N / LON: 103.98835090W</p>		<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well surface location shown on this plat was plotted from field notes of the as-staked surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by R-Squared Global.</p>		
<p>KICK OFF POINT 94' FSL 2359' FEL, SECTION 21 9804' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X: 647794.21' / Y: 467031.02' LAT: 32.28347249N / LON: 103.98884820W NAD 27, SPCS NM EAST X: 606610.93' / Y: 466971.59' LAT: 32.28335036N / LON: 103.98835704W</p>		<p>OCTOBER 22, 2020 Date of Survey Signature and Seal of Professional Surveyor: </p>		
<p>SURFACE HOLE LOCATION 1219' FNL 1027' FEL, SECTION 28 0' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X: 649132.38' / Y: 465725.83' LAT: 32.27987287N / LON: 103.98453179W NAD 27, SPCS NM EAST X: 607949.06' / Y: 465666.43' LAT: 32.27975070N / LON: 103.98404088W</p>		<p>Certificate Number DAVID W. MYERS 11403</p>		

Distances/areas relative to NAD 83 Combined Scale Factor: 0.9997823 Convergence Angle: 00°11'10.61002"

1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-45896	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)
⁴ Property Code	Property Name BLUE STEEL 21 WXY FED COM	⁶ Well Number 12H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁹ Elevation 2998'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	23S	29E		1219	NORTH	997	EAST	EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	23S	29E		331	NORTH	1643	EAST	EDDY
¹² Dedicated Acres 640.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 650146.73' / Y: 477587.62' B - X: 650138.65' / Y: 472269.84' C - X: 650153.81' / Y: 466951.26' D - X: 647475.03' / Y: 466934.71' E - X: 647481.28' / Y: 472260.27' F - X: 647506.95' / Y: 477578.03'</p>	<p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 608963.74' / Y: 477527.94' B - X: 608955.51' / Y: 472210.29' C - X: 608970.52' / Y: 466891.83' D - X: 606291.75' / Y: 466875.28' E - X: 606298.14' / Y: 472200.73' F - X: 606323.97' / Y: 477518.36'</p>			<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 2/8/2021 Signature Date Adrian Covarrubias Printed Name</p> <p>E-mail Address</p>
<p>LAST TAKE POINT/BOTTOM HOLE LOCATION 331' FNL 1643' FEL, SECTION 16 20267' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X: 648503.50' / Y: 477250.64' LAT: 32.31155816N / LON: 103.98644606W NAD 27, SPCS NM EAST X: 607320.50' / Y: 477190.97' LAT: 32.31143626N / LON: 103.98595387W</p>		<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well surface location shown on this plat was plotted from field notes of the as-staked surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by R-Squared Global.</p>		
<p>FIRST TAKE POINT 330' FSL 1647' FEL, SECTION 21 10275' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X: 648505.23' / Y: 467271.08' LAT: 32.28412609N / LON: 103.98654491W NAD 27, SPCS NM EAST X: 607321.95' / Y: 467211.65' LAT: 32.28400396N / LON: 103.98605379W</p>		<p>OCTOBER 22, 2020 Date of Survey Signature and Seal of Professional Surveyor: <i>[Signature]</i> DAVID W. MYERS PROFESSIONAL SURVEYOR 11403</p>		
<p>KICK OFF POINT 65' FSL 1640' FEL, SECTION 21 9622' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X: 648514.01' / Y: 467006.07' LAT: 32.28339754N / LON: 103.98651928W NAD 27, SPCS NM EAST X: 607330.73' / Y: 466946.64' LAT: 32.28327540N / LON: 103.98602818W</p>		<p>Certificate Number DAVID W. MYERS 11403</p>		
<p>SURFACE HOLE LOCATION 1219' FNL 997' FEL, SECTION 28 0' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X: 649162.35' / Y: 465726.08' LAT: 32.27987330N / LON: 103.98443480W NAD 27, SPCS NM EAST X: 607979.03' / Y: 465666.69' LAT: 32.27975112N / LON: 103.98394389W</p>				
<p>SHEET 1 OF 1 JOB No. R3942_009 REV 1 JCS 10/22/2020</p>				

Distances/areas relative to NAD 83 Combined Scale Factor: 0.9997823 Convergence Angle: 00°11'10.61002"

1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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State of New Mexico
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-45899		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP	
⁴ Property Code 325399		Property Name BLUE STEEL 21 WA FED COM			⁶ Well Number 15H
⁷ OGRID No. 372098		⁸ Operator Name MARATHON OIL PERMIAN LLC			⁹ Elevation 2998'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	23S	29E		1219	NORTH	967	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	1	23S	29E		352	NORTH	982	EAST	EDDY

¹² Dedicated Acres 640.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

CORNER COORDINATES NAD 83, SPCS NM EAST
 A - X: 650146.73' / Y: 477587.62'
 B - X: 650138.65' / Y: 472269.84'
 C - X: 650153.81' / Y: 466951.26'
 D - X: 647475.03' / Y: 466934.71'
 E - X: 647481.28' / Y: 472260.27'
 F - X: 647506.95' / Y: 477578.03'

CORNER COORDINATES NAD 27, SPCS NM EAST
 A - X: 608963.74' / Y: 477527.94'
 B - X: 608955.51' / Y: 472210.29'
 C - X: 608970.52' / Y: 466891.83'
 D - X: 606291.75' / Y: 466875.28'
 E - X: 606298.14' / Y: 472200.73'
 F - X: 606323.97' / Y: 477518.36'

LAST TAKE POINT/BOTTOM HOLE LOCATION
 330' FNL 981' FEL, SECTION 16
 20,323' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
 X: 649164.75' / Y: 477253.67'
 LAT: 32.31156059N / LON: 103.98430563W
NAD 27, SPCS NM EAST
 X: 607981.76' / Y: 477194.00'
 LAT: 32.31143868N / LON: 103.98381351W

FIRST TAKE POINT
 330' FSL 1004' FEL, SECTION 21
 10,257' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
 X: 649147.25' / Y: 467275.04'
 LAT: 32.28413127N / LON: 103.98446736W
NAD 27, SPCS NM EAST
 X: 607963.97' / Y: 467215.61'
 LAT: 32.28400911N / LON: 103.98397629W

KICK OFF POINT
 70' FSL 998' FEL, SECTION 21
 9,661' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
 X: 649155.30' / Y: 467015.25'
 LAT: 32.28341706N / LON: 103.9844404W
NAD 27, SPCS NM EAST
 X: 607972.02' / Y: 466955.82'
 LAT: 32.28329492N / LON: 103.98395301W

SURFACE HOLE LOCATION
 1219' FNL 967' FEL, SECTION 28
NAD 83, SPCS NM EAST
 X: 649192.32' / Y: 465726.29'
 LAT: 32.27987361N / LON: 103.98433784W
NAD 27, SPCS NM EAST
 X: 608009.00' / Y: 465666.90'
 LAT: 32.27975143N / LON: 103.98384693W

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well surface location shown on this plat was plotted from field notes of the as-staked surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by R-Squared Global.

OCTOBER 22, 2020
Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number
DAVID W. MYERS 11403

Distances/areas relative to NAD 83 Combined Scale Factor: 0.9997823 Convergence Angle: 00°11'10.61002"

District I
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Phone: (575) 393-6161 Fax: (575) 393-0720

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District IV
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACERAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-53782	² Pool Code 96721	³ Pool Name LAGUNA SALADO; BONE SPRING
⁴ Property Code 334030	⁵ Property Name BLUE STEEL BS FED COM	⁶ Well Number 503H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁹ Elevation 2995'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	28	23S	29E		1419'	NORTH	968'	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	23S	29E		118'	NORTH	2308'	EAST	EDDY
¹² Dedicated Acres 640.00		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

LTP/BHL
FNL 118' FEL 2308', SECTION 16
19633' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:647838.92' / Y:477461.35'
LAT:32.31214326 / LON:-103.98859501
NAD 27, SPCS NM EAST
X:606655.93' / Y:477401.68'
LAT:32.31202138 / LON:-103.98810275

FTP/PPP-1
FSL 100' FEL 2236', SECTION 21
9201' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:647917.28' / Y:467037.44'
LAT:32.28348907 / LON:-103.98844989
NAD 27, SPCS NM EAST
X:606734.00' / Y:466978.01'
LAT:32.28336694 / LON:-103.98795874

KOP
FNL 491' FEL 2239', SECTION 28
8235' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:647916.85' / Y:466446.80'
LAT:32.28186550 / LON:-103.98845741
NAD 27, SPCS NM EAST
X:606733.56' / Y:466387.39'
LAT:32.28174336 / LON:-103.98796632

SHL
FNL 1419' FEL 968', SECTION 28
0' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:649192.22' / Y:465526.29'
LAT:32.27932384 / LON:-103.98434027
NAD 27, SPCS NM EAST
X:608008.89' / Y:465466.90'
LAT:32.27920165 / LON:-103.98384938

¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by Delta Field Services

Date of Survey _____
Signature and Seal of Professional Surveyor _____

PRELIMINARY

THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, RECORDATION, CONVEYANCE, SALE OR THE BASIS FOR THE ISSUANCE OF A PERMIT.

CORNER COORDINATES NAD 83, SPCS NM EAST
A - X: 650146.73' / Y: 477587.62'
B - X: 650138.65' / Y: 472269.84'
C - X: 650153.81' / Y: 466951.26'
D - X: 647475.03' / Y: 466934.71'
E - X: 647481.28' / Y: 472260.27'
F - X: 647506.95' / Y: 477578.03'

CORNER COORDINATES NAD 27, SPCS NM EAST
A - X: 608963.74' / Y: 477527.94'
B - X: 608955.51' / Y: 472210.29'
C - X: 608970.52' / Y: 466891.83'
D - X: 606291.75' / Y: 466875.28'
E - X: 606298.14' / Y: 472200.73'
F - X: 606323.97' / Y: 477518.36'

FEDERAL LEASE ID	LENGTH
NMNM119272	1237.09'
TOTAL	1237.09'

● Drill Line Events ● Section Corners — Drill Line — Dimension Lines ▭ Federal Leases ▭ NMLSO ▭ HSU ● HSU Corners

All bearings and coordinates refer to New Mexico State Plane coordinate system, East Zone, U.S. Survey Feet.

SHEET 1 OF 1
JOB No. R3942_019
REV 0 GM 8/3/2023

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99977572 Convergence Angle: 0.136028°

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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 Santa Fe, NM 87505

Form C-102 Revised August 1, 2011
 Submit one copy to appropriate
 District Office

AMENDED REPORT

WELL LOCATION AND ACERAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-53781	² Pool Code 96721	³ Pool Name LAGUNA SALADO; BONE SPRING
⁴ Property Code 334030	⁵ Property Name BLUE STEEL BS FED COM	
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁶ Well Number 504H
		⁹ Elevation 2995'

¹⁰ Surface Location

UL or lot no. H	Section 28	Township 23S	Range 29E	Lot Idn	Feet from the 1420'	North/South line NORTH	Feet from the 938'	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. A	Section 16	Township 23S	Range 29E	Lot Idn	Feet from the 101'	North/South line NORTH	Feet from the 1011'	East/West line EAST	County EDDY
¹² Dedicated Acres 640.00		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

LTP/BHL
 FNL 101' FEL 1011', SECTION 16
 19546' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
 X:649135.21' / Y:477483.09'
 LAT:32.31219149 / LON:-103.98439884
NAD 27, SPCS NM EAST
 X:607952.22' / Y:477423.43'
 LAT:32.31206959 / LON:-103.98390668

FTP/PPP-1
 FSL 100' FEL 930', SECTION 21
 9098' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
 X:649223.92' / Y:467045.56'
 LAT:32.28349977 / LON:-103.98422169
NAD 27, SPCS NM EAST
 X:608040.64' / Y:464986.13'
 LAT:32.28337762 / LON:-103.98373064

KOP
 FNL 474' FEL 938', SECTION 28
 8158' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
 X:649218.32' / Y:466471.06'
 LAT:32.28192062 / LON:-103.98424586
NAD 27, SPCS NM EAST
 X:608035.02' / Y:466411.65'
 LAT:32.28179845 / LON:-103.98375487

SHL
 FNL 1420' FEL 938', SECTION 28
 0' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
 X:649222.37' / Y:465525.85'
 LAT:32.27932236 / LON:-103.98424272
NAD 27, SPCS NM EAST
 X:608039.04' / Y:465466.46'
 LAT:32.27920017 / LON:-103.98375182

17 OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

18 SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by Delta Field Services

Date of Survey _____
 Signature and Seal of Professional Surveyor _____

PRELIMINARY

THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, RECORDATION, CONVEYANCE, SALE OR THE BASIS FOR THE ISSUANCE OF A PERMIT.

CORNER COORDINATES NAD 83, SPCS NM EAST	
A - X: 650146.73' / Y: 477587.62'	
B - X: 650138.65' / Y: 472269.84'	
C - X: 650153.81' / Y: 466951.26'	
D - X: 647475.03' / Y: 466934.71'	
E - X: 647481.28' / Y: 472260.27'	
F - X: 647506.95' / Y: 477578.03'	

CORNER COORDINATES NAD 27, SPCS NM EAST	
A - X: 608963.74' / Y: 477527.94'	
B - X: 608955.51' / Y: 472210.29'	
C - X: 608970.52' / Y: 466891.83'	
D - X: 606291.75' / Y: 466875.28'	
E - X: 606298.14' / Y: 472200.73'	
F - X: 606323.97' / Y: 477518.36'	

FEDERAL LEASE ID	LENGTH
NMNM119272	1238.41'
TOTAL	1238.41'

Drill Line Events
 Section Corners
 Drill Line
 Dimension Lines
 Federal Leases
 NMLSO
 HSU
 HSU Corners

All bearings and coordinates refer to New Mexico State Plane coordinate system, East Zone, U.S. Survey Feet.

SHEET 1 OF 1
 JOB No. R3942_020
 REV 1 GM 8/8/2023

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Lee, Nicole \(MRO\)](#); [Covarrubias, Adrian \(MRO\)](#)
Cc: [McClure, Dean, EMNRD](#); [Rikala, Ward, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle O; Walls, Christopher](#); [Lamkin, Baylen L.](#); [Dawson, Scott](#)
Subject: Approved Administrative Order PLC-919
Date: Wednesday, November 22, 2023 4:00:15 PM
Attachments: [PLC919 Order.pdf](#)

NMOCD has issued Administrative Order PLC-919 which authorizes Marathon Oil Permian, LLC (372098) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-45898	Blue Steel 21 WA Federal Com #14H	E/2	16-23S-29E	98220
		E/2	21-23S-29E	
30-015-45899	Blue Steel 21 WA Federal Com #15H	E/2	16-23S-29E	98220
		E/2	21-23S-29E	
30-015-45896	Blue Steel 21 WXY Federal Com #12H	E/2	16-23S-29E	98220
		E/2	21-23S-29E	
30-015-46209	Blue Steel 21 WXY Federal Com #18H	E/2	16-23S-29E	98220
		E/2	21-23S-29E	
30-015-53782	Blue Steel BS Federal Com #503H	E/2	16-23S-29E	96721
		E/2	21-23S-29E	
30-015-53781	Blue Steel BS Federal Com #504H	E/2	16-23S-29E	96721
		E/2	21-23S-29E	

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
 Petroleum Engineer, Oil Conservation Division
 New Mexico Energy, Minerals and Natural Resources Department
 (505) 469-8211

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MARATHON OIL PERMIAN, LLC**

ORDER NO. PLC-919

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Marathon Oil Permian, LLC (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
6. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

CONCLUSIONS OF LAW

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order OLM-223.
3. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

4. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
5. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
6. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
7. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
9. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later

than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

- 10. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 11. If a well is not included in Exhibit A but produces from a pool and lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
- 12. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 13. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 14. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**DYLAN M. FUGE
DIRECTOR**

DATE: 11/21/23

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-919

Operator: Marathon Oil Permian, LLC (372098)

Central Tank Battery: Blue Steel Federal Com Central Tank Battery

Central Tank Battery Location: UL A, Section 28, Township 23 South, Range 29 East

Gas Title Transfer Meter Location: UL A, Section 28, Township 23 South, Range 29 East

Pools

Pool Name	Pool Code
LAGUNA SALADO; BONE SPRING	96721
PURPLE SAGE; WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
V0 4075 0000	E/2	16-23S-29E
Fee	NE/4, N/2 SE/4	21-23S-29E
NMNM 105398048 (119272)	S/2 SE/4	21-23S-29E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-45898	Blue Steel 21 WA Federal Com #14H	E/2	16-23S-29E	98220
		E/2	21-23S-29E	
30-015-45899	Blue Steel 21 WA Federal Com #15H	E/2	16-23S-29E	98220
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		E/2	21-23S-29E	
30-015-53781	Blue Steel BS Federal Com #504H	E/2	16-23S-29E	96721
		E/2	21-23S-29E	

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **PLC-919**
Operator: **Marathon Oil Permian, LLC (372098)**

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Wolfcamp NMNM 105725424 (144077)	E/2	16-23S-29E	640	A
	E/2	21-23S-29E		
CA Bone Spring NMNM 106320405	E/2	16-23S-29E	640	B
	E/2	21-23S-29E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
V0 4075 0000	E/2	16-23S-29E	320	A
Fee	NE/4, N/2 SE/4	21-23S-29E	240	A
NMNM 105398048 (119272)	S/2 SE/4	21-23S-29E	80	A
V0 4075 0000	E/2	16-23S-29E	320	B
Fee	NE/4, N/2 SE/4	21-23S-29E	240	B
NMNM 105398048 (119272)	S/2 SE/4	21-23S-29E	80	B

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 270601

CONDITIONS

Operator: MARATHON OIL PERMIAN LLC 990 Town & Country Blvd. Houston, TX 77024	OGRID: 372098
	Action Number: 270601
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	11/22/2023