



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

JERRY APODACA  
GOVERNOR

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SANTA FE, NEW MEXICO 87501  
(505) 827-2434

September 11, 1978

Marathon Oil Company  
P. O. Box 2409  
Hobbs, New Mexico 88240

Attention: C. S. Hilton, Jr.

Administrative Order No. DHC-260  
Warn State A/C 1 Well No. 3,  
Unit F, Section 31, Township 17  
South, Range 35 East, NMPM, Lea  
County, New Mexico, Vacuum-  
Wolfcamp and Vacuum-Upper Pennsylvanian

(30-025-20748)

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the well-bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Division Order No. MC-1509, which authorized the dual completion and required separation of the zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 80 barrels per day, and total water production from the well shall not exceed 160 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by top unit allowable for the Vacuum-Upper Pennsylvanian Pool.

-2-  
DHC-260

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: Oil 24%, Gas 56%  
Lower Pool: Oil 76%, Gas 44%

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

JOE D. RAMEY  
Division Director

JDR/CU/og

cc: Oil Conservation Division  
Box 1980  
Hobbs, New Mexico