

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



October 31, 2018

Surface Commingling Order PLC-528

MARATHON OIL PERMIAN LLC
Attention: Ms. Jennifer Van Curen

Pursuant to your application received on October 10, 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 2, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico;

MALAGA; BONE SPRING, NORTH (42800)
PURPLE SAGE; WOLFCAMP (GAS) (98220)

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

Lease: El Presidente State 24 27 2 TB Well No. 6H Lease
Description: Lot 1/ Unit A, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of Section 2
Well: El Presidente State 24 27 2 TB Well No. 6H API 30-015-44484
Pool: Malaga; Bone Spring, North

Lease: El Presidente State Well No. 3H Lease
Description: Lot 1/ Unit A, Lot 2/ Unit B, S/2 NE/4, and SE/4 (E/2 equivalent) of Section 2
Wells: El Presidente State Well No. 3H API 30-015-42769
El Presidente State X Well No. 4H API 30-015-44165
El Presidente State 24 27 2 WA Well No. 5H API 30-015-44483
El Presidente State 24 27 2 WXY Well No. 10H API 30-015-44485
Pool: Purple Sage; Wolfcamp (Gas)

The commingled oil and gas production from the wells shall be measured and sold at the El Presidente State Well No. 3H, 4H, 5H, 6H, and 10H Central Tank Battery (CTB), located in Unit P of Section 2, Township 24 South, Range 27 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.

This approval is subject to like approval from New Mexico State Land Office before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Artesia 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
New Mexico State Land Office – Oil, Gas, and Minerals