

RECEIVED: 9/30/2018	REVIEWER: <i>mm</i>	TYPE: PC	APP NO: DM Am 18305 41499
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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: Marathon Oil Permian LLC **OGRID Number:** 372098
Well Name: Black River 10 State Com 2H, Black River 15 10 State Com B1 5H, X 6H **API:** 30-015-42728, 44070, 44069 
Pool: Willow Lake West Bone Spring; Purple Sage Wolfcamp **Pool Code:** 96415; 98220

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

FOR OCD ONLY

☐

Notice Complete

☐

Application
Content
Complete

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

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.

Jennifer Van Curen

Print or Type Name

Jennifer Van Curen
 Signature

Date

10/24/18

713-296-2500

Phone Number

jvancuren@marathonoil.com

e-mail Address

From: Tate, Matthew S. (MRO)
Sent: Tuesday, October 23, 2018 3:46 PM
To: Van Curen, Jennifer (MRO) <jvancuren@marathonoil.com>
Cc: Kaul, Janine D. (MRO) <jkaul@marathonoil.com>
Subject: RE: Sterling State 23 27 20 TB 4H & WA 6H

Jennifer

Please let this email serve as notice that the working, royalty and ORRI in the Black River 10 State Con 2H, Black River 15 10 State Com 81 5H and the Black River 15 10 State Com X 6H are identical.

Please let me know if you need anything further for these wells.

Thank you



Matt S. Tate, CPI
Land Professional – Permian Basin

Marathon Oil Company
5555 San Felipe Street
Houston, TX 77056
Telephone 713.296.2164 Mobile 832.499.2019
Fax 713.235.8035
matthewtate@marathonoil.com

Process and Flow Descriptions:

The central tank battery is located on the Black River State Com multi-well pad location in Sec 15, T24S, R27E. The production from each well will flow through its own three phase metering separator with a Micro Motion Coriolis Meter to meter the oil, Mag meter to meter the water, and an orifice meter to meter the gas. VRU gas will be allocated back to each well utilizing a percentage of each wells monthly oil production. After the water is measured with the Mag meter, it is combined with the water for the other wells and with any water knockout from the heater treater and sent to the water tanks. The water tanks have guided wave radar level transmitters which can detect oil/water interfaces. If an interface is seen the operator will use the recycle pump to pump this interface and any oil to the heater treater for further processing.

The Black River State Com CTB will have three oil tanks that these three wells will utilize and they have a common CDP, (Central Delivery Point) **(Number provided upon receipt)** which is located on site. Oil, gas, and water volumes from each well producing to this battery will be determined by using individual metering allocation separator. Oil sold through a common sales line for tanks (information provided upon receipt).

Oil production will be allocated on a daily basis based on the Coriolis Test meter located downstream of the metering test separator and daily tank gauges and truck LACT. The Coriolis meters will be proven, as per API & NMOCD specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes. Gas production will be allocated on a daily basis utilizing the gas test meters for each well. The gas production from the wells and the gas test meters will commingle and flow to an allocation meter and then to the CDP sales meter, **(number provided upon receipt)** these meters will be calibrated on a regular basis per API & NMOCD specifications. The OCD will be notified of any future changes in the facilities.

Reasoning:

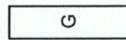
The flow of produced fluids is shown in detail on the enclosed Black River State Com CTB Process Flow Diagrams along with a description of each vessel. The commingling of this production is the most effective, economic means of producing the reserves and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions.



KEY/NOTES

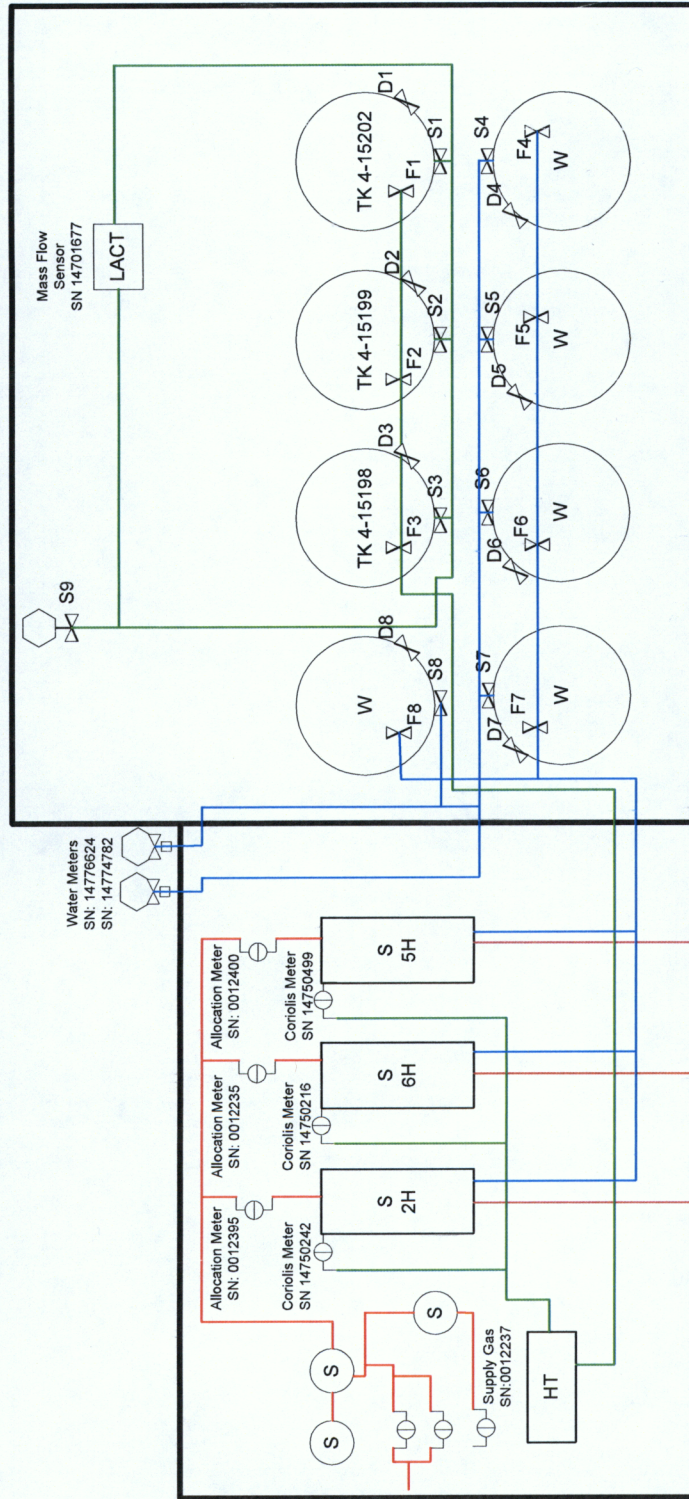
W – Water Storage Tank
TK – Oil Storage Tank
S – Separator
HT – Heater Treater
G – Generator

Wellheads are on different pad
Master Meter on well pad
SN: T180307310



Gas Sales
SN: 0012280
SN: 0011945

Buy Back
SN: 0007462



FLARE

FIGURE TITLE

BLACK RIVER 15 10 STATE COM X 2H, 5H, 6H CTB

API
30-015-42728
30-015-44070
30-015-44069

LEASE

CA #

OPERATOR
MARATHON OIL PERMIAN, LLC
5555 SAN FELIPE ST, HOUSTON, TX 77056

LOCATION
EDDY COUNTY, NM
P-15-T24S-R27E
270 FSL & 1070 FEL

LAT 32.21047
LONG -104.17150

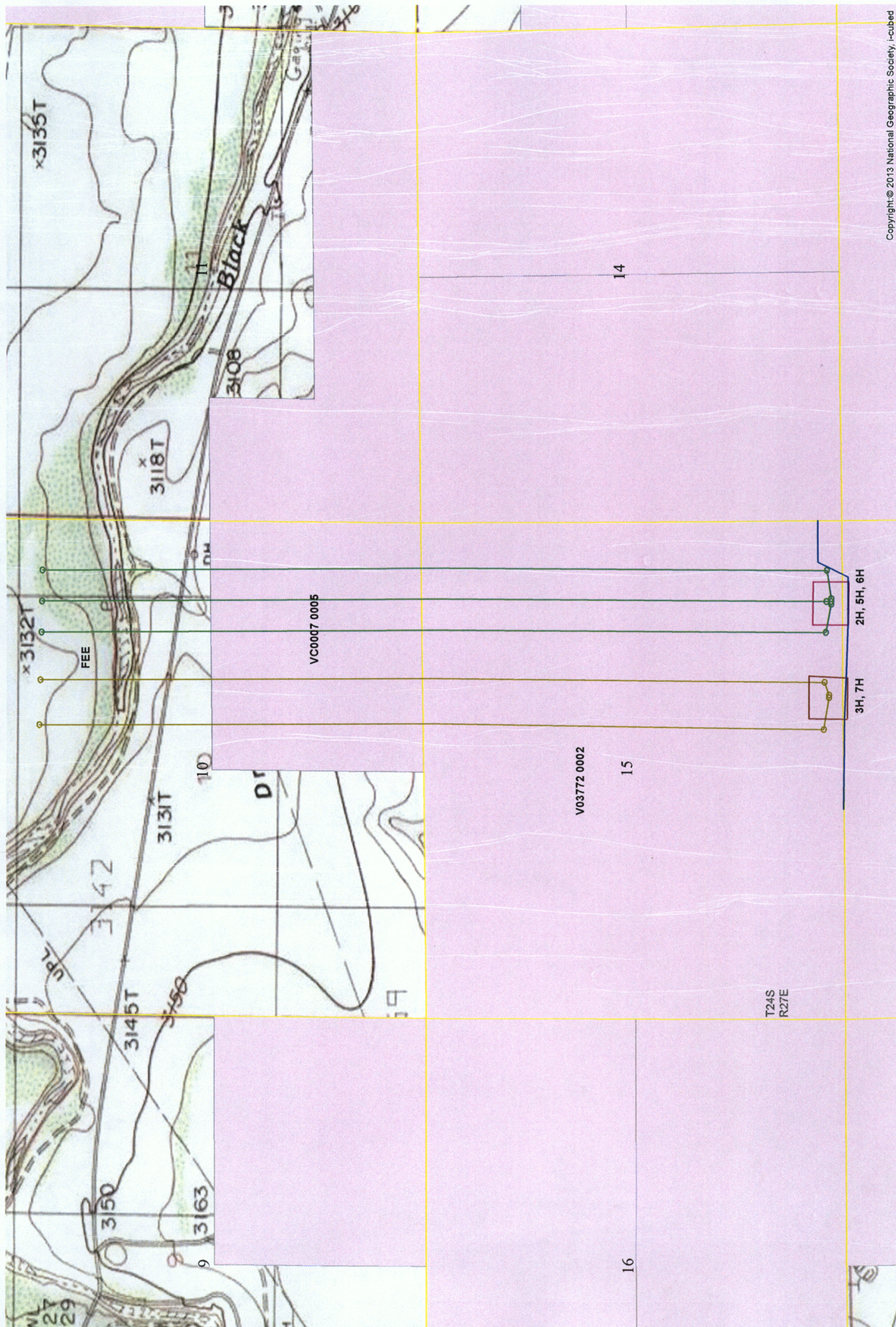
DATE SEP 2018

SCALE NOT TO SCALE

DRAWN BY AC

APPROVED BY JVC





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 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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-542728	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP
⁴ Property Code	⁵ Property Name BLACK RIVER 15-10 STATE COM X	⁶ Well Number 2H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁹ Elevation 3231'

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
P	15	T24S	R27E		270'	SOUTH	1070'	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	10	T24S	R27E		329'	NORTH	1329'	EAST	EDDY

¹² Dedicated Acres 640	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.

¹⁶ SECTION 4 SECTION 9 LAST TAKE POINT/BOTTOM HOLE LOCATION 19,145 MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST Y:450387.68 / X:590496.56 LAT:32.23809164N / LON:104.17433747W NAD 27, SPCS NM EAST Y:450329.35 / X:549313.8 LAT:32.23797179N / LON:104.17384062W		SECTION 3 SECTION 10 A 329' B 1329' BHL/ LAST TAKE POINT 1325' MEASURED DEPTH =16,747' PRODUCING AREA		SECTION 2 SECTION 11		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. <i>Jennifer Van Curen</i> 3/21/2018 Signature Date Jennifer Van Curen 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. DECEMBER 07, 2017 Date of Survey Signature and Seal of Professional Surveyor: Certificate Number
SECTION 9 SECTION 16 FIRST TAKE POINT 9,165 MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST Y:440467.82 / X:590445.99 LAT:32.21082318N / LON:104.17454845W NAD 27, SPCS NM EAST Y:440409.68 / X:549263.05 LAT:32.21070297N / LON:104.17405231W SURFACE HOLE LOCATION 270' FSL 1070' FEL, SECTION 15 NAD 83, SPCS NM EAST Y:440400.74 / X:590802.21 LAT:32.21064077N / LON:104.1739692W NAD 27, SPCS NM EAST Y:440342.60 / X:549619.27 LAT:32.21052055N / LON:104.17290084W		SECTION 10 SECTION 15 330' 330' FIRST TAKE POINT SHL 1427' 1070' C D		SECTION 11 SECTION 14 SECTION 14 SECTION 23		
SECTION 16 SECTION 21 CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 450743.64 / X: 589192.43 B - Y: 450688.80 / X: 591823.83 C - Y: 440114.54 / X: 591868.86 D - Y: 440159.23 / X: 589132.63		SECTION 15 SECTION 22 CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 450685.32 / X: 548009.70 B - Y: 450630.45 / X: 550641.05 C - Y: 440056.39 / X: 550685.89 D - Y: 440101.12 / X: 547949.72		SECTION 14 SECTION 23		

NOTE; ALL DEMINSIONS IN U.S. FEET

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-44070	² Pool Code 96415	³ Pool Name WILLOW LAKE, WEST; BONE SPRING
⁴ Property Code	⁵ Property Name BLACK RIVER 15-10 STATE COM B1	⁶ Well Number 5H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁹ Elevation 3231'

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
P	15	T24S	R27E		270'	SOUTH	1010'	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	10	T24S	R27E		330'	NORTH	643'	EAST	EDDY

¹² Dedicated Acres 320	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.

¹⁶ <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>SECTION 4</p> <p>SECTION 9</p> <p>LAST TAKE POINT/BOTTOM HOLE LOCATION</p> <p>17,521 MEASURED DEPTH IN FEET</p> <p>NAD 83, SPCS NM EAST</p> <p>Y:450371.78 / X:591182.66</p> <p>LAT:32.23804513N / LON:104.17211849W</p> <p>NAD 27, SPCS NM EAST</p> <p>Y:450313.44 / X:549999.89</p> <p>LAT:32.23792525N / LON:104.17162173W</p> </div> <div style="width: 45%;"> <p>SECTION 3</p> <p>SECTION 10</p> <p>BHL / LAST TAKE POINT</p> <p>330'</p> <p>643'</p> <p>654'</p> <p>MEASURED DEPTH = 16,182'</p> </div> </div>				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. <div style="display: flex; justify-content: space-between;"> <div>Signature <i>Jennifer Van Curen</i></div> <div>Date 3/21/2018</div> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> <div>Printed Name Jennifer Van Curen</div> <div>E-mail Address</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>SECTION 9</p> <p>SECTION 16</p> <p>FIRST TAKE POINT</p> <p>7,543 MEASURED DEPTH IN FEET</p> <p>NAD 83, SPCS NM EAST</p> <p>Y:440457.41 / X:591083.10</p> <p>LAT:32.21079196N / LON:104.17248851W</p> <p>NAD 27, SPCS NM EAST</p> <p>Y:440399.26 / X:549900.15</p> <p>LAT:32.21067173N / LON:104.17199246W</p> </div> <div style="width: 45%;"> <p>SECTION 10</p> <p>SECTION 15</p> <p>PRODUCING AREA</p> <p>330'</p> <p>330'</p> </div> </div>				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. <div style="display: flex; justify-content: space-between;"> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>SECTION 16</p> <p>SECTION 21</p> <p>CORNER COORDINATES</p> <p>NAD 83, SPCS NM EAST</p> <p>A - Y: 450716.23 / X: 590508.11</p> <p>B - Y: 450688.80 / X: 591823.83</p> <p>C - Y: 440114.54 / X: 591868.86</p> <p>D - Y: 440136.88 / X: 590500.75</p> </div> <div style="width: 45%;"> <p>SECTION 15</p> <p>SECTION 22</p> <p>CORNER COORDINATES</p> <p>NAD 27, SPCS NM EAST</p> <p>A - Y: 450657.90 / X: 549325.36</p> <p>B - Y: 450630.45 / X: 550641.05</p> <p>C - Y: 440056.39 / X: 550685.89</p> <p>D - Y: 440078.75 / X: 549317.81</p> </div> </div>				<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>SECTION 11</p> <p>SECTION 14</p> <p>SECTION 14</p> <p>SECTION 23</p> </div> <div style="width: 45%;"> <p>789'</p> <p>1010'</p> <p>C</p> </div> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> <div>Certificate Number</div> </div>	

NOTE; ALL DEMINSIONS IN U.S. FEET

NOTE: ALL DIMENSIONS IN U.S. FEET

2H

	OIL (BBL)	GAS (MCF)
Apr-18	21314	46091
May-18	3693	7243
Jun-18	17150	39664
Jul-18	11485	5675
Aug-18	16230	6209
Sep-18	17430	68974

5H

	OIL (BBL)	GAS (MCF)
Apr-18	15986	36778
May-18	22335	51608
Jun-18	14235	31622
Jul-18	15164	8743
Aug-18	12249	3973
Sep-18	11632	68584

6H

	OIL (BBL)	GAS (MCF)
Apr-18	19263	49207
May-18	3641	7719
Jun-18	8299	15643
Jul-18	11360	4172
Aug-18	8998	2789
Sep-18	9119	37205