

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



May 29, 2019

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-574

MARATHON OIL PERMIAN LLC
Attention: Jennifer Van Curen

Pursuant to your application received on May 8, 2019, Marathon Oil Permian LLC (OGRID 372098) is hereby authorized to surface commingle oil and gas production and off-lease measure from the following pools:

RED HILLS; BONE SPRING, NORTH (96434)
ANTELOPE RIDGE; WOLFCAMP (2220)

Lease: Flowmaster 15 WD Fee Well No. 3H Lease; Hearing Order R-20299
Description: W/2 W/2 of Section 15
Well: Flowmaster 15 WD Fee Well No. 3H API 30-025-44688
Pool: Antelope Ridge; Wolfcamp

Lease: Flowmaster 15 WA Fee Well No. 6H Lease; Hearing Order R-20298
Description: W/2 of Section 15
Well: Flowmaster 15 WA Fee Well No. 6H API 30-025-44683
Pool: Antelope Ridge; Wolfcamp

Lease: Flowmaster 15 TB Fee Well No. 7H Lease
Description: W/2 W/2 of Section 15
Well: Flowmaster 15 TB Fee Well No. 7H API 30-025-44685
Pool: Red Hills; Bone Spring, North

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Flowmaster Fee 24 34 15 #3H, 6H, 7H Central Tank Battery (CTB), located in the Unit D of Section 15, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be measured with allocation meters. 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.

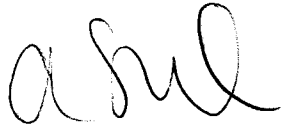
The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules.

It is the responsibility of the producer to notify the transporter of this commingling authority.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations



Adrienne Sandoval
Director

AS/mam

cc: Oil Conservation Division – Hobbs