

OIL CONSERVATION DIVISION
RECEIVED



**Marathon
Oil Company**

'90 JUL 25 AM 9 36

P.O. Box 552
Midland, Texas 79702
Telephone 915/682-1626

July 19, 1990

Mr. David Catanach
Energy & Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Request for Exception to Rule 303-A
Downhole Commingling
Mark Owen No. 8
SW/4 Sec. 35-T21S-R37E
Wantz Abo and Wantz Granite Wash
Lea County, New Mexico

Dear Mr. Catanach:

Marathon Oil Company respectfully requests administrative approval for an exception to Rule 303-A to permit the downhole commingling of production from the Wantz Abo and the Wantz Granite Wash oil pools in the subject well.

Currently, the well is completed as a Wantz Abo and Wantz Granite Wash dual oil well. The Wantz Abo is flowing up 2 1/16" tubing and the Granite Wash is being lifted artificially by means of a rod pump.

On June 9, 1990, the Wantz Abo was shut-in. On June 11, 1990, a pressure bomb was run into the well to mid-perfs. The measured pressure was 591 psig. The Wantz Granite Wash was also shut-in for 48 hours. The well was weighed with a dynamometer. From the dynamometer pump card a fluid load was calculated and Nabla's Pump Intake Pressure program was run. The pump intake pressure at pump depth of 7160' (top of perfs) was calculated to be 1180 psig.

The pressure of the Wantz Abo is 50% of the pressure in the Wantz Granite Wash. Marathon believes that the two zones can be downhole commingled and produced without crossflow or a loss of reserves in either zone. The Wantz Abo's last test showed it producing 2 BOPD, 1 BWPD and 130 MCFD. The last production test on the Wantz Granite Wash was 7 BOPD, 0 BWPD and 28 MCFD in a pumped-off condition. If these zones were commingled, the combined production would be 9 BOPD, 1 BWPD and 158 MCFD. The rod pumping equipment currently in place has the capacity to lift 85 BFPD. Therefore, the well should remain in a pumped-off condition (i.e., producing pressure less than 100 psi) while being artificially lifted.

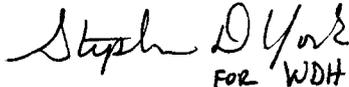
Mr. David Catanach
July 19, 1990
Page 2

All ownership (WI, Royalty and ORRI) in the wellbore is the same. Furthermore, the downhole commingling of the Wantz Abo and Wantz Granite Wash will not jeopardize future secondary recovery operations. As required, additional information is attached and all offset operators are being notified by copy of this application.

In summary, Marathon feels that as a prudent operator we can effectively downhole commingle the Wantz Abo and the Wantz Granite Wash and maximize production by doing so. We look forward to your approval of this application.

Sincerely yours,

MARATHON OIL COMPANY


FOR WDH

William D. Holmes
Midland Operations Superintendent

WPB/lr
Attachments

007-90

ATTACHMENT 1

Request for Exception to Rule 303-A
Mark Owen Well No. 8
Wantz Abo and Wantz Granite Wash
Lea County, New Mexico

Reference: Section 2-C, Rule 303

- a) Marathon Oil Company
P. O. Box 552
Midland, Texas 79702
- b) Mark Owen No. 8
760' FSL and 760' FWL, Sec. 35-21S-37E
Lea County, New Mexico
Producing Zones: Wantz Abo and Wantz Granite Wash
(See Attachment 2 for Form C-103)
- c) Plat of acreage dedicated and offsetting operators (see Attachments 3 and 4).
- d) Form C-116 for the Wantz Abo completion (Attachment 5).
Form C-116 for the Wantz Granite Wash completion (Attachment 6).
- e) Production curve for the Wantz Abo completion (Attachment 7).
Production curve for the Wantz Granite Wash completion (Attachment 8).
- f) Measured bottomhole pressures for both zones in question:

Wantz Abo - 591 psig (Attachment 9)
Wantz Granite Wash - 1180 psig (Attachment 10)

g&h) The oil produced from the Wantz Abo and the Wantz Granite Wash have gravities of 43° and 40° API, respectively. Because the two gravities are so similar, the value of the commingled streams should not be less than the value of the two separate streams. The water production on both zones is negligible, so a water sample is difficult to get. The Mark Owen No. 7 water analyses for the same zones are included, and there is little difference between the produced waters (Attachments 11 and 12).

i) <u>Zone</u>	<u>Oil (BPD)</u>	<u>Oil %</u>	<u>Gas (MCF)</u>	<u>Gas %</u>
Wantz Abo	2	22.2	130	82.3
Wantz Granite Wash	<u>7</u>	<u>77.8</u>	<u>28</u>	<u>17.7</u>
Total	9	100%	158	100%

- j) By copy of this letter, we are notifying all offset operators of the proposed commingling by certified mail (see attached letters).

ATTACHMENT 2
State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

Submit 3 Copies
to Appropriate
District Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>	
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	7. Lease Name or Unit Agreement Name Mark Owen
2. Name of Operator Marathon Oil Company	8. Well No. 8
3. Address of Operator P. O. Box 552, Midland, Texas 79702	9. Pool name or Wildcat Wantz Granite Wash & Wantz Abo
4. Well Location Unit Letter <u>M</u> : <u>760</u> Feet From The <u>South</u> Line and <u>760</u> Feet From The <u>West</u> Line Section <u>35</u> Township <u>21S</u> Range <u>37E</u> NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3373' GL	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>Downhole commingle</u> <input checked="" type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Request authorization to downhole commingle the Wantz Granite Wash and the Wantz Abo pools.

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

SIGNATURE Steph D York FOR WDH TITLE Operations Superintendent DATE 6-19-90
(915)
TYPE OR PRINT NAME William D. Holmes TELEPHONE NO. 682-1626

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

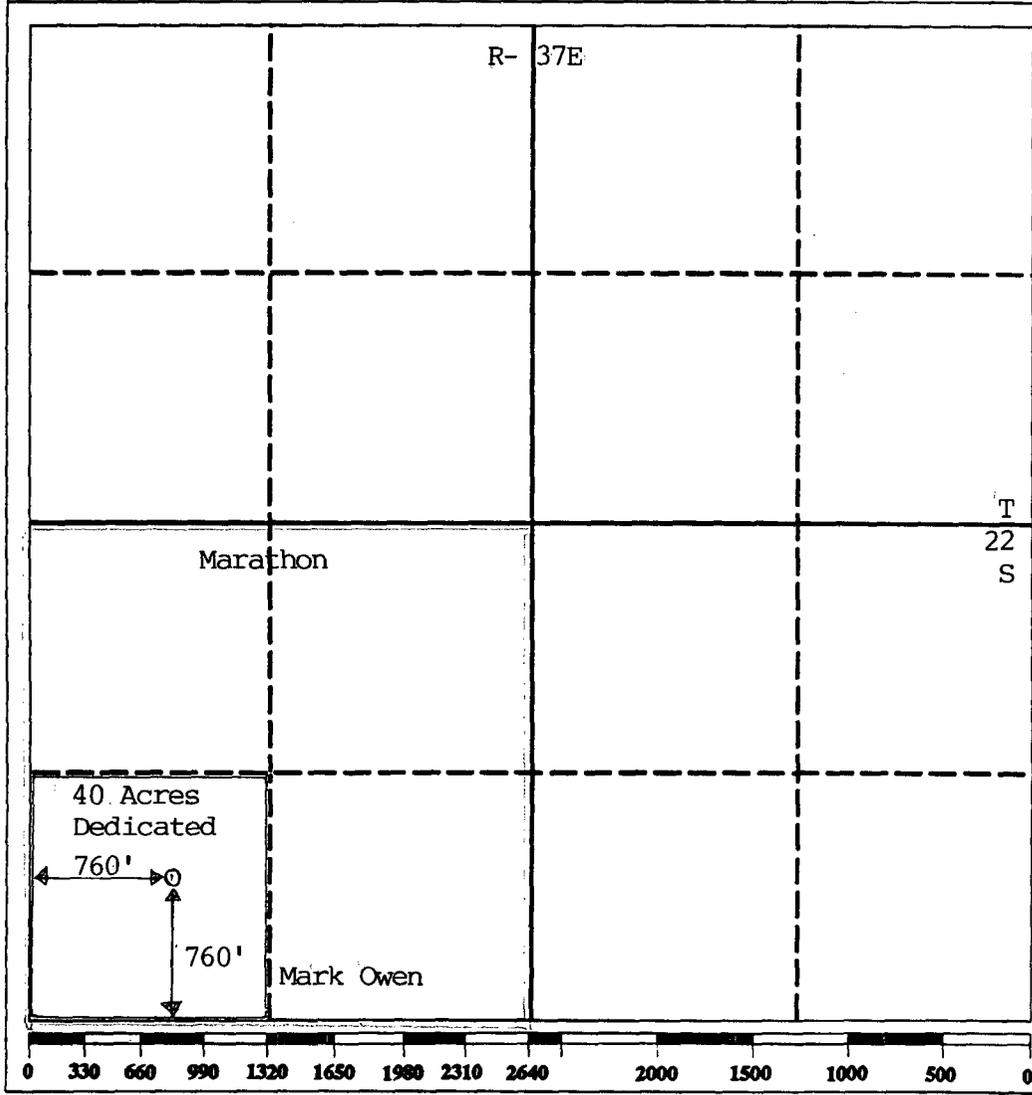
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

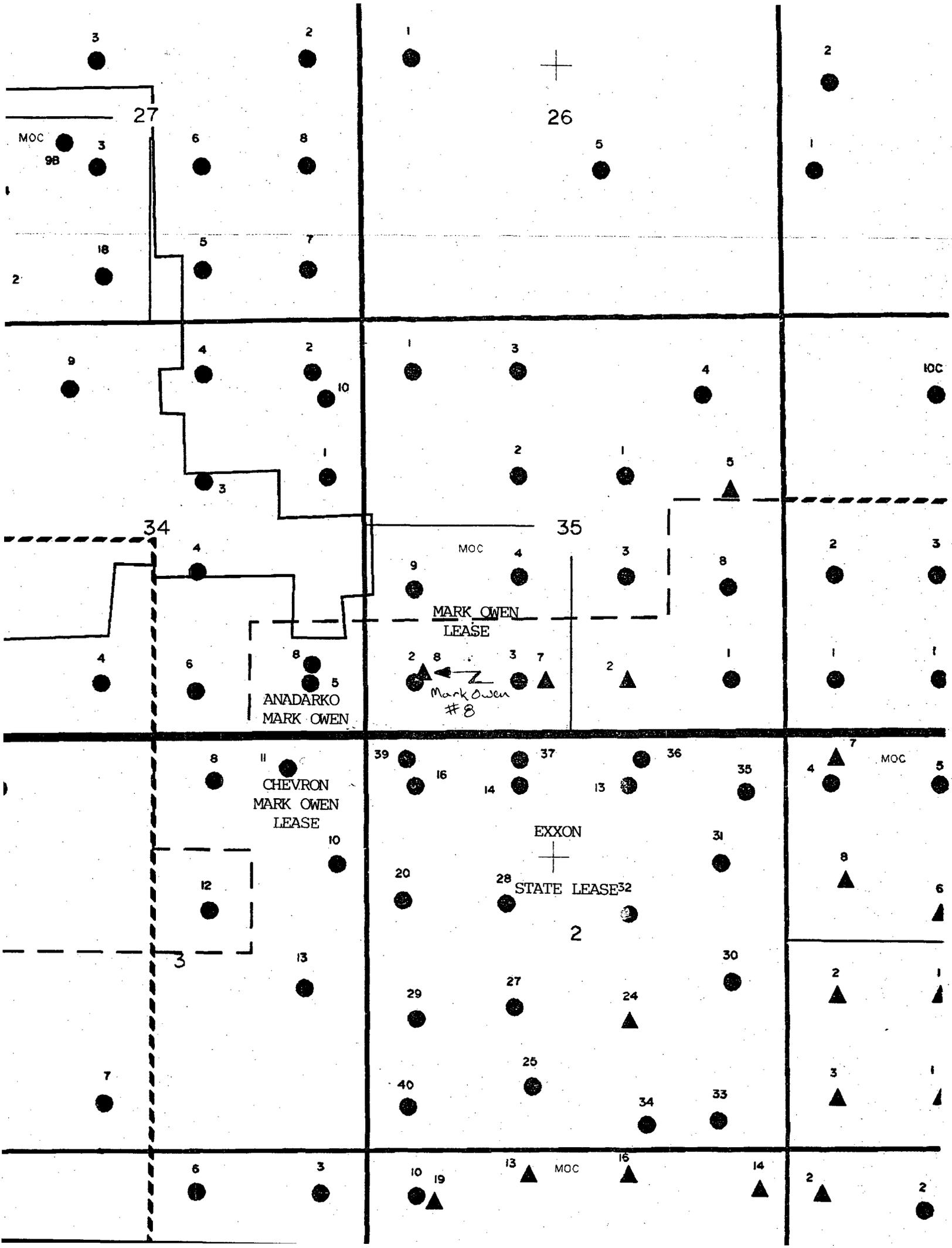
All Distances must be from the outer boundaries of the section

Operator Marathon Oil Company			Lease Mark Owen			Well No. 8		
Unit Letter M	Section 35	Township 21S	Range 37E	County NMPM		Lea		
Actual Footage Location of Well: 760 feet from the South line and 760 feet from the West line								
Ground level Elev. 3385.0'	Producing Formation Wantz Abo/Granite Wash			Pool Wantz Abo/Granite Wash		Dedicated Acreage: 40 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 Yes No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



<p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p>
Signature
Printed Name J. R. Jenkins
Position Hobbs Production Sup't.
Company Marathon Oil Company
Date 6-19-90
<p align="center">SURVEYOR CERTIFICATION</p> <p><i>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 knowledge and belief.</i></p>
Date Surveyed
Signature & Seal of Professional Surveyor
Certificate No.



27

26

MOC

98

2

IOC

34

35

MARK OWEN LEASE

ANADARKO MARK OWEN

CHEVRON MARK OWEN LEASE

EXXON STATE LEASE

Mark Owen #8

3

2

1

2

3

6

8

5

1

18

5

7

9

4

2

10

3

4

3

2

1

5

MOC

9

4

3

8

2

3

4

6

8

5

2

8

3

7

2

1

1

1

8

11

39

16

14

37

13

36

35

4

7

MOC

5

12

10

20

28

STATE LEASE

2

31

8

6

3

13

29

27

24

30

2

1

7

25

40

34

33

3

1

6

3

10

19

13

MOC

16

14

2

2

Submit 2 copies to Appropriate District Office.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

ATTACHMENT 5
State of New Mexico
Energy, Minerals and Natural Resources Department

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

GAS - OIL RATIO TEST

Operator Marathon Oil Company		Pool Wantz Abo		County Lea												
Address P. O. Box 552, Midland, Texas 79702																
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	TYPE OF TEST - (X)	SCHEDULED	DAILY ALLOWABLE	LENGTH OF TEST HOURS	COMPLETION			SPECIAL	GAS - OIL RATIO CU FT/BBL		
		U	S	T						R	WATER BRLS.	PROD. DURING TEST GRAV. OIL			OIL BRLS.	GAS MCF.
Mark Owen	8	M	35	21	37	5-20-90	F	21/64	100	3	24	1	43	2	130	65,000

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature 

Printed name and title
J. R. Jenkins, Hobbs Production Sup't.

Date
6-25-90 (915) 682-1626 Telephone No.

OIL CONSERVATION DIVISION

Submit 2 copies to Appropriate District Office:
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240
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 P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

GAS - OIL RATIO TEST

Operator Marathon Oil Company		Pool Wantz Granite Wash		County Lea												
Address P. O. Box 552, Midland, Texas 79702		TYPE OF TEST - (X) <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/> Completion		Special <input checked="" type="checkbox"/> X												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	SPLITS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU FT/BBL	
		U	S	T	R							WATER BRLS.	GRAV. OIL	OIL BRLS.		GAS M.C.F.
Mark Owen	8	M	35	21	37	5-5-90	P	--	40	6	24	0	40	7	28	4000

Instructions:

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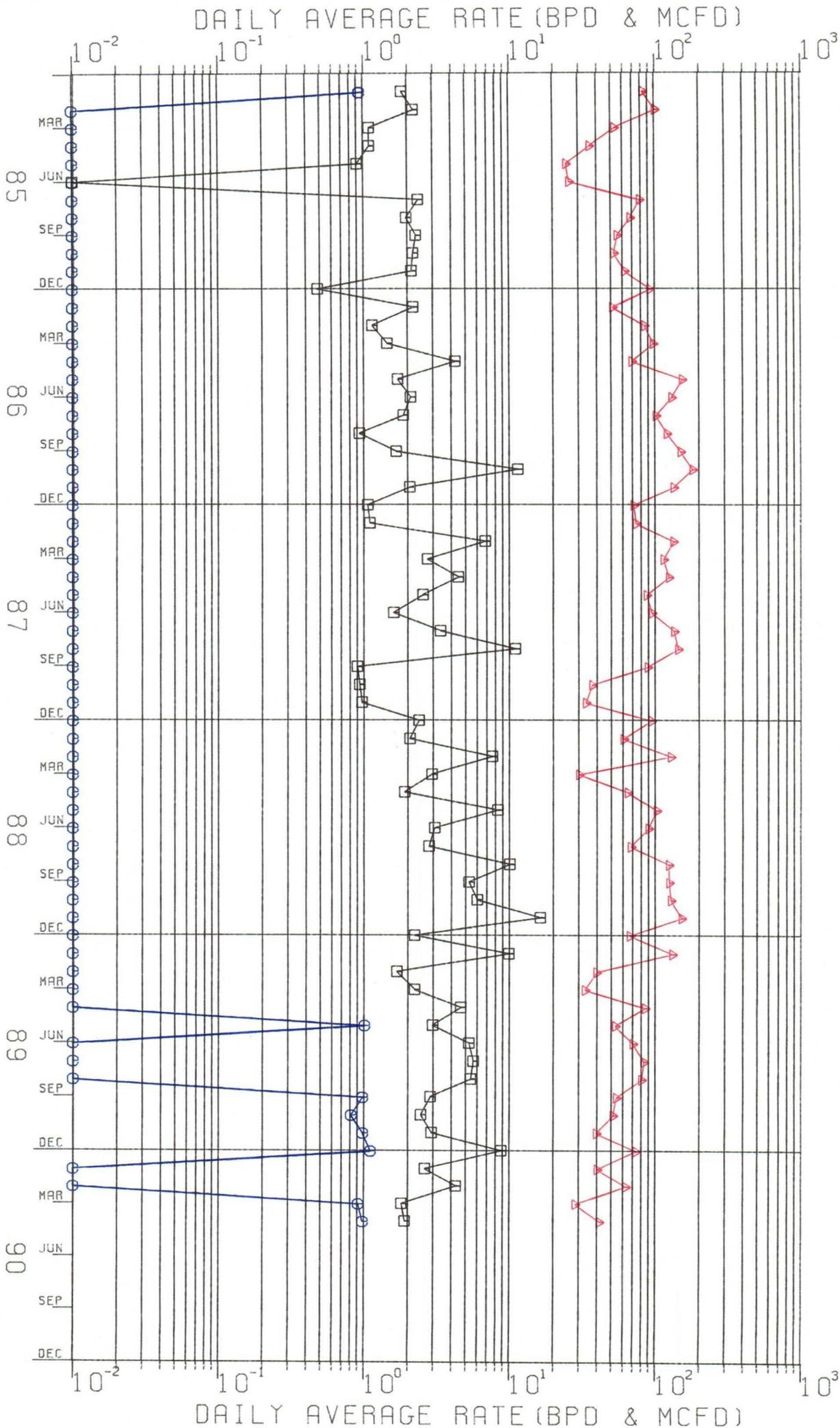
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Signature 

J. R. Jenkins, Hobbs Production Sup't.
 Printed name and title

Date 6-25-90
 Telephone No. (915) 682-1626

FIELD - WANTZ
RESERVOIR - ABQ
LEASE - QWEN, MARK
WELL - MARK, QWEN-NO. 8 (2)



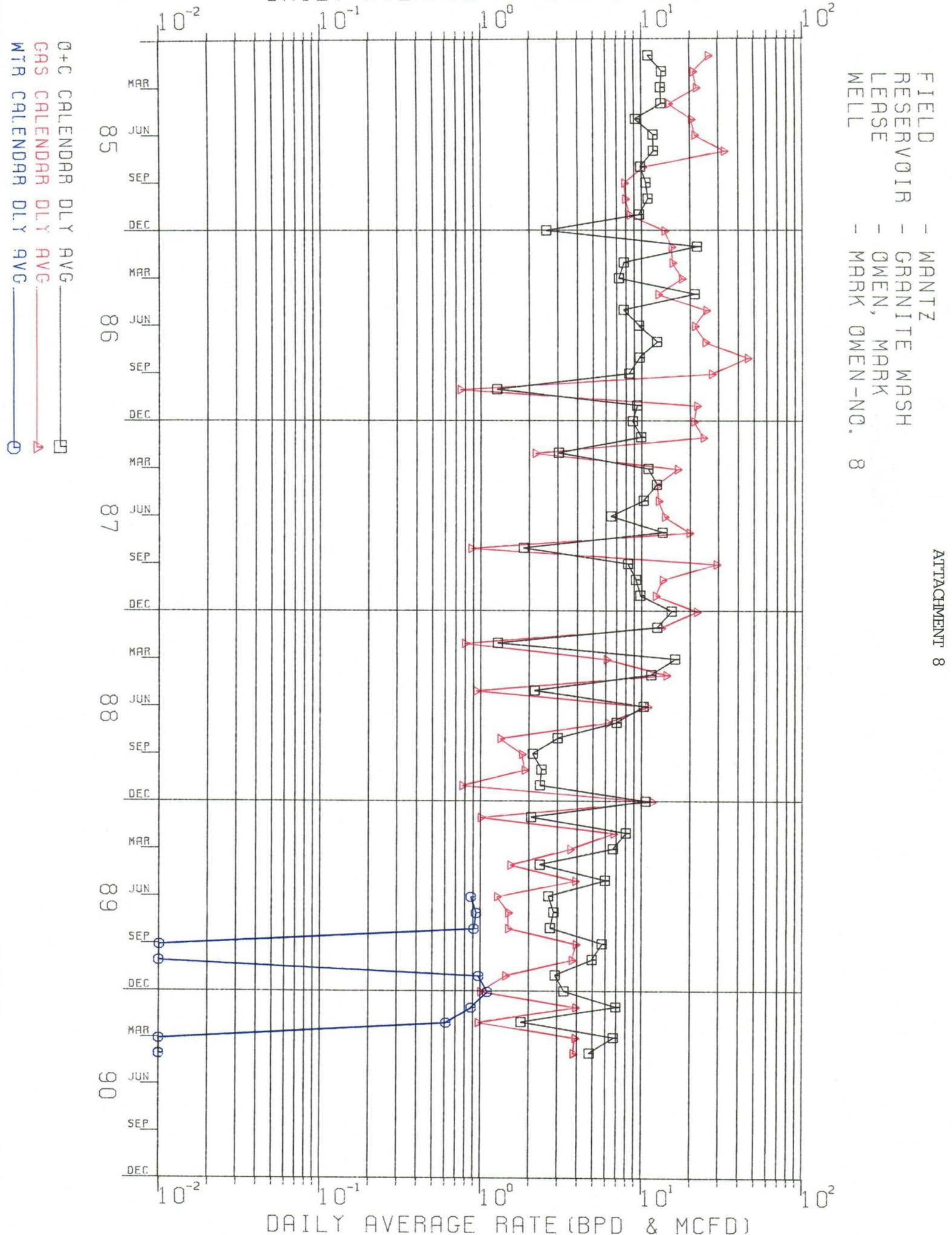
MRR1 0111M

O+C CALENDAR DLY AVG
GAS CALENDAR DLY AVG
MTR CALENDAR DLY AVG

05/29/90

08 24 20

DAILY AVERAGE RATE (BPD & MCFD)



FIELD - WANTZ
 RESERVOIR - GRANITE WASH
 LEASE - OWEN, MARK
 WELL - MARK OWEN-NO. 8

ATTACHMENT 8

MARRI 0111

O+C CALENDAR DLY AVG — □
 GAS CALENDAR DLY AVG — ▲
 WTR CALENDAR DLY AVG — ○

DAILY AVERAGE RATE (BPD & MCFD)

INTRACOMPANY CORRESPONDENCE

TO J.R. JENKINS DATE 6/12/90
 OFFICE Midland FROM Tony Hallum
 Re: Bottomhole Pressure Survey OFFICE Hobbs
 (USE THIS LINE FOR FILE REFERENCE OR SUBJECT)

MARATHON OIL COMPANY
 MARK OWEN # 8 (WANTZ ABO)
 STATIC BHP SURVEY
 48 HR. SHUT-IN
 6/11/90

DEPTH (ft)	PRESSURE (psi)	ΔP	ΔD	GRADIENT
6	491			
4765	558	67	4759	0.014
5765	570	12	1000	0.012
6265	579	9	500	0.018
6515	585	6	250	0.024
6765	591	6	250	0.024

xc: Jim Keil
 Eng. Tech. File - Hobbs

NABLA CORPORATION

2064 MARKET STREET
INDUSTRIAL PARK

MIDLAND, TX 79703
(915) 697-2228

<<<< SUBSURFACE PUMP ANALYSIS >>>>

WELL: MARK OWEN # 8 ANALYST: TWH
DATE OF ANALYSIS: 6/13/90 ANALYSIS NUMBER: 4
PUMP BORE SIZE (IN): 1.5000 SETTING DEPTH (FT): 7160

ACTUAL PUMP CONDITIONS *****

PUMP INTAKE PRESSURE (PSI): 1180 PUMPING SPEED (SPM): 4.90
GROSS STROKE (IN): 116.4 NET STROKE (IN): 116.4
GAS INTERFERENCE: NONE FLUID POUND: NONE
FLUID LOAD (LBS): 674 PUMP LEAKAGE: NIL
CRUDE SHRINKAGE FACTOR FROM PUMP TO STOCK TANK (BBL PER BBL): 1.367

- PUMP VOLUMETRIC DISPLACEMENTS -

BASED ON NET STROKE

150 BPD
(109 BPD @ STOCK TANK CONDITIONS)

BASED ON GROSS STROKE

150 BPD

- PUMP EFFICIENCIES -

BASED ON TEST
AND GROSS STROKE
(PERCENT)

BASED ON TEST
AND NET STROKE
(PERCENT)

CRUDE SHRINKAGE NOT CONSIDERED	4.7	4.7
CRUDE SHRINKAGE CONSIDERED	6.4	6.4 **

** WELL DOWN 48 HRS. PRIOR TO WEIGHING

<<<< OTHER DIAGNOSTIC INDICATORS >>>>

DOWNHOLE FRICTION: NORMAL
TUBING OR ANNULUS CHECK VALVE LEAK: NONE LIKELY
TUBING MOVEMENT (IN): 0 LOST DISPLACEMENT (BPD): 0
TUBINGHEAD PRESSURE (PSI): 24 AVG TBG GRAD (PSI PER FT): 0.215

<<<< WELL TEST AND FLUID PROPERTY DATA >>>>

TEST DATE: 5/5/90
BFPD: 7 BOPD: 7
BWPD: 0 OIL CUT (%): 100.0
GOR: UNKNOWN
PUMPING UNIT STROKE: 116.4 TEST SPM: 4.90
OIL GRAVITY (API): 40 WATER GRAVITY (SG): 1.100
BUBBLE POINT (PSI): 2150 EST. SOLUTION GOR: 750 EST.
FORMATION VOLUME FACTOR (BBL PER BBL): 1.500 EST.

UNICHEM INTERNATIONAL

601 NORTH LEECH

P.O. BOX 1499

HOBBS, NEW MEXICO 88240

COMPANY : MARATHON
 DATE : 5-11-83
 FIELD, LEASE & WELL : MARK OWEN #7 WANTZ ABO
 SAMPLING POINT:
 DATE SAMPLED : 5-10-83

SPECIFIC GRAVITY = 1.092
 TOTAL DISSOLVED SOLIDS = 136507
 PH = 4.09

		ME/L	MG/L
CATIONS			
CALCIUM	(CA)+2	560	11222.
MAGNESIUM	(MG)+2	340	4133.
SODIUM	(NA).CALC.	1521	34984.
ANIONS			
BICARBONATE	(HCO3)-1	0	0
CARBONATE	(CO3)-2	0	0
HYDROXIDE	(OH)-1	0	0
SULFATE	(SO4)-2	24.7	1187.
CHLORIDES	(CL)-1	2397	84980.
DISSOLVED GASES			
CARBON DIOXIDE	(CO2)	NOT RUN	
HYDROGEN SULFIDE	(H2S)	NOT RUN	
OXYGEN	(O2)	NOT RUN	
IRON(TOTAL)	(FE)		117.
BARIUM	(BA)+2	NOT RUN	
MANGANESE	(MN)	NOT RUN	

SCALING INDEX	TEMP
	30C
	86F
CARBONATE INDEX	-3.4
CALCIUM CARBONATE SCALING	UNLIKELY
SULFATE INDEX	2.79
CALCIUM SULFATE SCALING	LIKELY

UNICHEM INTERNATIONAL

601 NORTH LEECH

P.O. BOX 1499

HOBBS, NEW MEXICO 88240

COMPANY : MARATHON OIL COMPANY
 DATE : 3-21-83
 FIELD: LEASESWELL MARK OWEN WELL #7
 SAMPLING POINT: GRANITE WASH
 DATE SAMPLED : 3-18-83

SPECIFIC GRAVITY = 1.065
 TOTAL DISSOLVED SOLIDS = 97279
 PH = 6.69

		ME/L	MG/L
CATIONS			
CALCIUM	(CA)+2	280	5611.
MAGNESIUM	(MG)+2	130	1580.
SODIUM	(NA), CALC.	1280.	29431.
ANIONS			
BICARBONATE	(HCO3)-1	3.6	219.
CARBONATE	(CO3)-2	0	0
HYDROXIDE	(OH)-1	0	0
SULFATE	(SO4)-2	51.0	2450
CHLORIDES	(CL)-1	1635.	57986.
DISSOLVED GASES			
CARBON DIOXIDE	(CO2)	NOT RUN	
HYDROGEN SULFIDE	(H2S)	NOT RUN	
OXYGEN	(O2)	NOT RUN	
IRON(TOTAL)	(FE)		112.
BARIUM	(BA)+2	NOT RUN	
MANGANESE	(MN)	NOT RUN	

SCALING INDEX	TEMP
	30C
	86F
CARBONATE INDEX	153
CALCIUM CARBONATE SCALING	LIKELY
SULFATE INDEX	10.4
CALCIUM SULFATE SCALING	LIKELY

Mid-Continent Region
Production United States



**Marathon
Oil Company**

P.O. Box 552
Midland, Texas 79702
Telephone 915/682-1626

July 19, 1990

Chevron U.S.A.
P. O. Box 670
Hobbs, New Mexico 88240

Re: Request for Exception to Rule 303-A
Downhole Commingling
Mark Owen No. 8
SW/4 Sec. 35-T21S-R37E
Wantz Abo and Wantz Granite Wash
Lea County, New Mexico

Gentlemen:

Marathon Oil Company is requesting administrative approval from the New Mexico Oil Conservation Division to downhole commingle production in the above referenced well. The Mark Owen No. 8 is completed in the Wantz Abo and the Wantz Granite Wash in the Drinkard Field. Combined production should average 9 BOPD and 158 MCFD.

Attached for your scrutiny is a copy of our application. Should you have any questions or concerns, please do not hesitate to call me.

Sincerely,

MARATHON OIL COMPANY

Steph D York
FOR WDH

William D. Holmes
Midland Operations Superintendent

WPB/lr
Attachment

009-90



**Marathon
Oil Company**

P.O. Box 552
Midland, Texas 79702
Telephone 915/682-1626

July 19, 1990

Anadarko Petroleum Corp.
400 West Illinois
Suite 1300
Midland, Texas 79702

Re: Request for Exception to Rule 303-A
Downhole Commingling
Mark Owen No. 8
SW/4 Sec. 35-T21S-R37E
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Sincerely,

MARATHON OIL COMPANY

Steph D York
FOR WDH

William D. Holmes
Midland Operations Superintendent

WPB/lr
Attachment

010-90



**Marathon
Oil Company**

P.O. Box 552
Midland, Texas 79702
Telephone 915/682-1626

July 19, 1990

Exxon Company, USA
P. O. Box 1600
Midland, Texas 79702-1600

Re: Request for Exception to Rule 303-A
Downhole Commingling
Mark Owen No. 8
SW/4 Sec. 35-T21S-R37E
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Sincerely,

MARATHON OIL COMPANY

A handwritten signature in cursive that reads 'Stephen D. York' with 'FOR WDH.' written below it.

William D. Holmes
Midland Operations Superintendent

WPB/lr
Attachment

008-90



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

HOBBS DISTRICT OFFICE

'90 JUL 27 AM 9 30
7-24-90

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

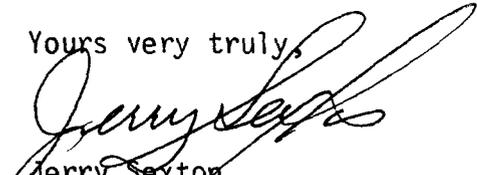
I have examined the application for the:

<u>Marathon Oil Co.</u>	<u>Mark Owen</u>	<u>#8-M 35-218-37E</u>
Operator	Lease & Well No.	Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,



Jerry Sexton
Supervisor, District 1

/ed