



February 2, 1995

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

Re: Request for Exception to Rule 303-A
Downhole Commingling
Dayton Hardy No. 2
UL "I" 1980' FSL & 600' FEL
Sec. 20, T-21-S, R-37-E
Blinebry and Tubb Pools
Drinkard Field
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 the Tubb and Blinebry formations in the above mentioned well.

This well was recently plugged back and recompleted, then swab tested in the Tubb oil and gas pool. A retrievable bridge plug was set isolating the Tubb. The Blinebry was then perforated, acidized and is now being rod pumped.

Commingling of the two zones will allow for incremental production to be gained from the Tubb while continuing to produce the Blinebry Pool. This will reduce waste and maximize the productive capability of the wellbore. It will also allow Marathon to use its existing production equipment to its optimum efficiency. The well will continue to be rod pumped keeping producing reservoir pressures and minimizing cross flow.

Enclosed is the pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please contact Rick Gaddis at (505) 393-7106.

Sincerely,

Thomas M. Price

Thomas M. Price
Advanced Engineering Technician

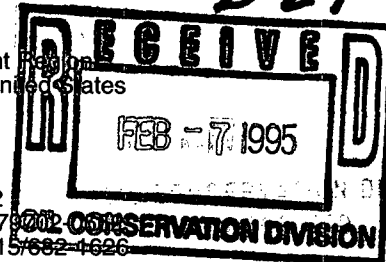
TMP/9507vr

Attachments

A subsidiary of USX Corporation

Mid-Continent Region
Production United States

P.O. Box 552
Midland, TX 79701-0552
Telephone 915/682-4626



915-537-7156
Mobile

DHC-1096

2-27-95

FEB 7 AM 8 52

REQUEST FOR EXCEPTION TO RULE 303-A
Dayton Hardy # 2
Blinebry & Tubb Oil & Gas

- A: Operator
Marathon Oil Company
P.O. Box 552
Midland, Texas 79702
- B: Lease Name & Well No
Dayton Hardy No. 2
UL "I" 1980' FSL & 660' FEL
Sec 20, T-21-S, R-37-E
Lea Co., New Mexico
- C: Plats and Offset Operators
Attached
- D: C-116's
Attached
- E: Production Decline Curves
Recently completed zones. See Attached Sundry Notices and Completion Reports in lieu of production decline curves as per Rule 303-A Section "D" Item (5).
- F: Estimated Bottomhole Pressures
Blinebry - 450 PSI
Tubb- 500 PSI
- G: Fluid Characteristics
Marathon has surface commingled the produced fluids from both zones without compatibility problems.
- H: Value
Marathon receives the same price for product from both zones and value will not be adversely affected. If the Downhole Commingling is permitted additional reserves will be recovered from the Tubb, while maximizing recoveries from the Blinebry.

I: Production Allocation

<u>Pool</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>BWPD</u>	<u>ESTIMATE METHOD</u>
Blinebry	22	291	41	Rod Pump Tests
Tubb	6	75	10	Rod pump test and
Total	28	366	51	expected prod after
				recovery of all
				load.

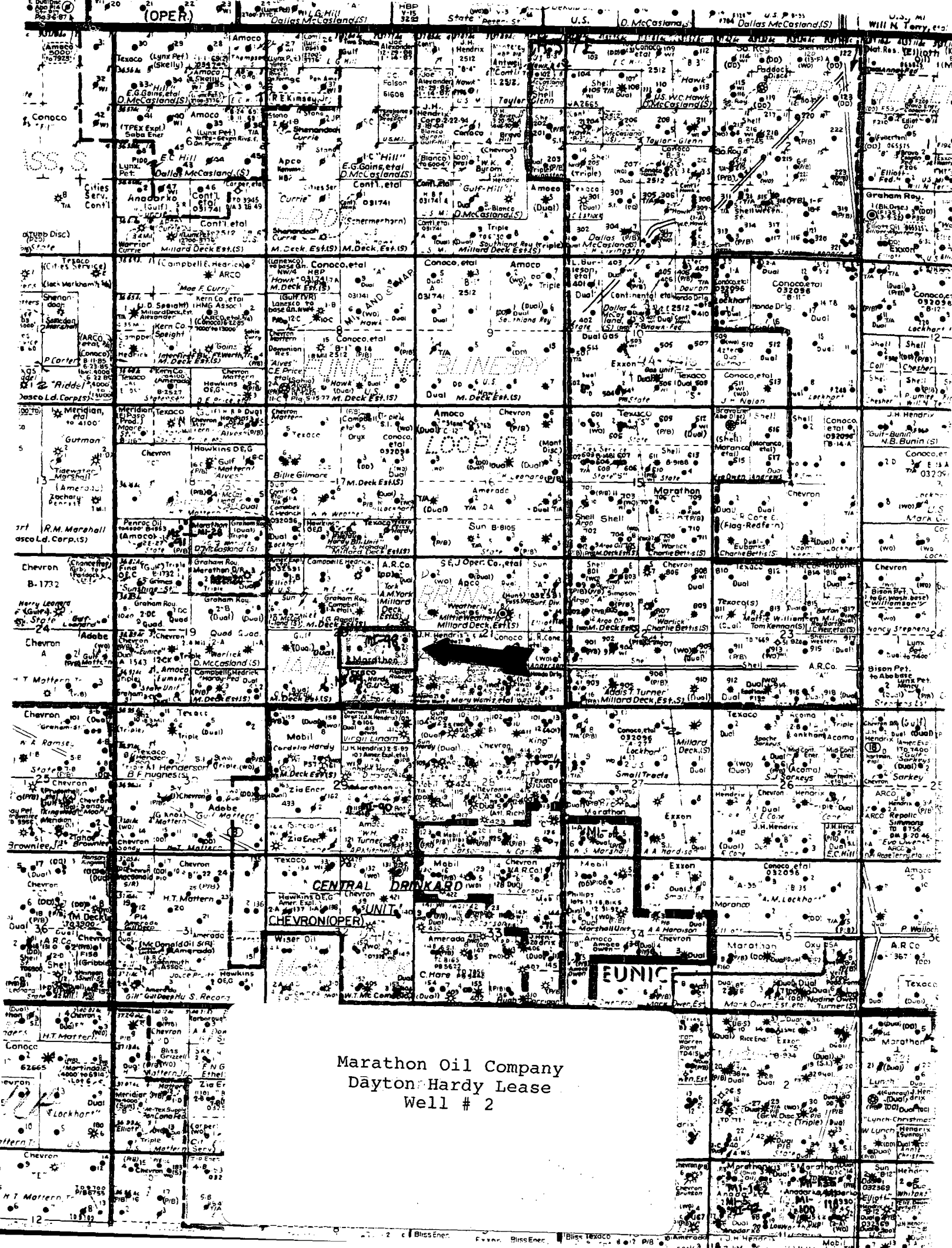
<u>Allocated Percentages</u>	<u>Oil %</u>	<u>Gas %</u>	<u>Water %</u>
Blinebry	78.6	79.5	80.4
Tubb	21.4	20.5	19.6
	100	100	100

J: Ownership

Ownership of all zones is in common and correlative rights will not be violated.

K: Offset Operator Notification

By copy of this letter we are notifying all offset operators (see list, Item C) of the proposed commingling, by certified mail.



**Marathon Oil Company
Dayton Hardy Lease
N/2 SE/4 Section 20, T-21-S, R-37-E,
Lea County, New Mexico**

Offset Operators

TOWNSHIP- RANGE	SECTION	OFFSET OPERATORS & ADDRESSES
21S-37E	20	Cross Timbers Operating Company 810 Houston St., Ste. 2000 Ft. Worth, TX 76102-6298 Campbell and Hedrick P. O. Box 401 Midland, TX 79702-0401 American Exploration Company 1331 Lamar, Ste. 900 Houston, TX 77010-3088 John H. Hendrix Corp. 223 W. Wall, Ste. 525 Midland, TX 79701-4519 P & P Producing Incorporated P. O. Box 3178 Midland, TX 79702-3178 Chevron USA Incorporated 15 Smith Rd., Midland, TX 79705 P. O. Box 1150, Midland, TX 79702-1150 Texaco Exploration & Production, Inc. Heritage Center, Midland, TX 79701 P. O. Box 3109, Midland, TX 79702-3109
21S-37E	21	Stevens and Johnson Operating Co. P. O. Box 2249 Wichita Falls, TX 76307-2249 Conoco Incorporated 10 Desta Dr., Ste. 100W Midland, TX 79705

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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.	30-025-06688
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	DAYTON HARDY
8. Well No.	2
9. Pool name or Wildcat	BLINEBRY OIL & GAS
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL: 3448 KB: 3497	

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.)

1. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER	2. Name of Operator Marathon Oil Company
3. Address of Operator P.O. Box 552, Midland, TX 79702	4. Well Location Unit Letter I : 1980 Feet From The SOUTH Line and 660 Feet From The EAST Line Section 20 Township 21-S Range 37-E NMPM LEA County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL: 3448 KB: 3497	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: PB TUBB/RECOMP BLINEBRY. TEST FOR DHC ☒

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.

1/6/95:

MIRU PU. POOH W/ rods and pump. NU BOP. POOH W/Tbg and TAC. Tested BOP. RU Wireline Co. Perf'd Blinebry 5556-64, 5574-76, 5579-82, 5588-92, 5596-5600, 5624-26, 5632-34, 5636-40, 5662-66, 5746-50, 5758-60, 5797-5800, 5804-06, 5812-14, 5820-22, 5828-30 (51 total holes 1 JSPF). Set RBP @ 5950'. Tested plug to 1000 PSI. Dumped sand on Plug. POOH W/Tbg and Plug testing PKR. RIH/RTTS PKR on 3 1/2" Tbg. Set PKR @ 5458'. Acidized Blinebry 5556-5830 W/2500 Gallons 15% HCL. Frac'd W/50,000 Gallons 70 Quality CO2 foamed gel and 130,000# 16/30 Sand. Flowed back to frac tank to clean up. POOH W/stimulation string. C/O sand to 5870'. RIH W/2 3/8" N-80 Prod Tbg. SN @ 5445'. ND BOP. NU Tree. Installed Rods, 1 1/4" pump. Hung well off and started pumping to frac tank to clean up.

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

SIGNATURE

Thomas M. Price

TITLE ADV. ENGIN. TECH.

DATE 2/2/95

TYPE OR PRINT NAME THOMAS M. PRICE

TELEPHONE NO. 915/682-1626

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-105
Revised 1-1-89

WELL API NO. 30-025-06688
5. Indicate Type Of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name DAYTON HARDY
8. Well No. 2
9. Pool name or Wildcat TUBB OIL & GAS

WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER _____					
b. Type of Completion: NEW WELL ☐ WORK OVER ☒ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☒ OTHER _____					
2. Name of Operator Marathon Oil Company					
3. Address of Operator P.O. Box 552, Midland, TX 79702					
4. Well Location Unit Letter I : 1980 Feet From The SOUTH Line and 660 Feet From The EAST Line Section 20 Township 21-S Range 37-E NMPM LEA County _____					
10. Date Spudded 11-14-94	11. Date T.D. Reached -	12. Date Compl.(Ready to Prod.) 12-28-94	13. Elevations(DF & RKB, RT, GR, etc.) GL: 3448 KB: 3497	14. Elev. Casinghead -	
15. Total Depth 6672	16. Plug Back T.D. 6412	17. If Multiple Compl. How Many Zones? 2	18. Intervals Drilled By	Rotary Tools	Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 6030-6282 (TUBB)					20. Was Directional Survey Made NA
21. Type Electric and Other Logs Run NA					22. Was Well Cored NA

23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
NO CHANGE	SEE ORIGINAL	COMPLETION	REPORT		

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					NONE		

26. Perforation record (interval, size, and number) 6030-6282 .5" 62 HOLES	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	6030-6282	3400 GAL 7 1/2% HCL
	6030-6282	35,000 GAL GEL & 90,000# SAND

28. PRODUCTION							
Date First Production 12-10-94		Production Method (Flowing, gas lift, pumping - Size and type pump) SWAB & PUMP				Well Status (Prod. or Shut-in) ZONE SI	
Date of Test 12/20/94	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl. 6	Gas - MCF 75	Water - Bbl. 58	Gas - Oil Ratio 12500
Flow Tubing Press.	Casing Pressure 30	Calculated 24-Hour Rate	Oil - Bbl. 6	Gas - MCF 75 Est.	Water - Bbl. 58	Oil Gravity - API (Corr.) 39.6	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) VENTED	Test Witnessed By T. W. Hallum
---	--

30. List Attachments ZONE SI AWAITING DHC APP. WATER RATE WAS DECLINING AND OIL RATE INCREASING W/LOAD RECOVERY

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Thomas M. Price Printed Name **Thomas M. Price** Title **ADV ENGIN TECH** Date **1-31-95**

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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.
30-025-06688

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
DAYTON HARDY

8. Well No.
2

9. Pool name or Wildcat
TUBB OIL & GAS

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.)	
1. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER	
2. Name of Operator Marathon Oil Company	
3. Address of Operator P.O. Box 552, Midland, TX 79702	
4. Well Location Unit Letter I : 1980 Feet From The SOUTH Line and 660 Feet From The EAST Line Section 20 Township 21-S Range 37-E NMPM LEA County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL: 3448 KB: 3497	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: RECOMPLETE TO TUBB & TEST FOR DHC ☒

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.

11/14/94: MIRU PU. NU BOP. Retrieved RBP @ 5283'. Set CIBP @ 6440'. Dumped 5 SX Cmt of CIBP. Sqzd Paddock Perfs 5148-5200 W/50 SX Cmt. Drld Cmt 4937-5200. Tested Sqz to 1000 PSI. Test OK. Tagged PBTD & Circ W/2% KCL. Perfed 6030-32, 6034-38, 6042-44, 6046-50, 6078-86, 6108-14, 6188-90, 6192-98, 6202-06, 6210-12, 6214-16, 6222-24, 6232-36, 6246-50, 6256-58, 6262-66, 6272-74, 6280-82 (62 holes total). RIH W/2 7/8" Tbg & Pkr to 6289'. Spotted 250 gallons 7 1/2% HCL. Set RTTS Pkr @ 5943'. Acidized Tubb 6030-6282 W/3400 gallons Gel & 90000# 16/30 sand. POOH W/treatment string. C/O sand to 6412' PBTD. RIH W/Lokset Pkr on 2 3/8" tbg. Set Pkr @ 5917. ND BOP NU tree. Swabbed Tubb perfs. Recovered 46 BO & 209 BW. NU BOP & POOH W/Pkr & Tbg. Installed 2 3/8" Tbg & TAC. ND BOP NNU Tree. Installed 1 1/4" pump and rods. Turned well to test tank. Would not pump. MIRU PU. Exchanged pump. Put well back on. Turned to test.

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

SIGNATURE

Thomas M. Price

TITLE ADV. ENGIN. TECH.

DATE 01-31-95

TYPE OR PRINT NAME THOMAS M. PRICE

TELEPHONE NO. 915/682-1626

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

OIL CONSERVATION DIVISION

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

WELL API NO. 30-025-06688
5. Indicate Type Of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG	
1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____	7. Lease Name or Unit Agreement Name DAYTON HARDY
b. Type of Completion: NEW WELL ☐ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER _____	
2. Name of Operator Marathon Oil Company	
3. Address of Operator P.O. Box 552, Midland, TX 79702	
8. Well No. 2	
9. Pool name or Wildcat BLINEBRY OIL & GAS	

4. Well Location Unit Letter I : 1980 Feet From The SOUTH Line and 660 Feet From The EAST Line									
Section 20		Township 21-S		Range 37-E		NMPM LEA		County	
10. Date Spudded 01-08-95	11. Date T.D. Reached -	12. Date Compl.(Ready to Prod.) 01-15-95		13. Elevations(DF & RKB, RT, GR, etc.) GL: 3448 KB: 3497		14. Elev. Casinghead -			
15. Total Depth 6672		16. Plug Back T.D. 6412		17. If Multiple Compl. How Many Zones? 2		18. Intervals Drilled By Rotary Tools		Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 5556-5830 BLINEBRY OIL & GAS								20. Was Directional Survey Made NA	
21. Type Electric and Other Logs Run NA								22. Was Well Cored NA	

23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
NO CHANGE	SEE ORIGINAL	COMPLETION	REPORT		

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8"	5545	NONE

26. Perforation record (interval, size, and number) 5556-5830 SELECTIVE .5" 51 TOTAL HOLES	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	5556-5830	2500 GAL 15% HCL
	5556-5830	50000 GAL 70 QUAL CO2
	5556-5830	130000# SAND

28. PRODUCTION							
Date First Production 01-15-95		Production Method (Flowing, gas lift, pumping - Size and type pump) 1 1/4" INSERT PUMP				Well Status (Prod. or Shut-in) PROD	
Date of Test 01-21-95	Hours Tested 24	Choke Size NA	Prod'n For Test Period 22	Oil - Bbl. 22	Gas - MCF 291	Water - Bbl. 41	Gas - Oil Ratio 13227
Flow Tubing Press. NA	Casing Pressure 40	Calculated 24-Hour Rate	Oil - Bbl. 22	Gas - MCF 291	Water - Bbl. 41	Oil Gravity - API (Corr.) 36.2	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD						Test Witnessed By T. W. HALLUM	

30. List Attachments
RBP @ 5950 ISOLATING TUBB COMPLETION

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature <i>Thomas M. Price</i>	Printed Name THOMAS M. PRICE	Title ADV ENGIN TECH	Date 1-31-95
----------------------------------	-------------------------------------	-----------------------------	---------------------

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

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator Marathon Oil Company		Pool TUBB OIL & GAS		County LEA										
Address P.O. Box 552, Midland, TX 79702		TYPE OF TEST - (X)		Completion ☐ Special ☒										
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	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 BBLs.	GRAV. OIL		OIL BBLs.
Dayton Hardy Information use only. Est. base on preliminary pump tests, and historic formation production	2	I	20	21S	37E	ESTIMATE	P	NA	24	10	39.6	10	75	7500

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.

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

Signature

Thomas M. Price

Printed name and title

2/1/95

Date

915/687/8324

Telephone No.

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator Marathon Oil Company		Pool BLINEBRY OIL & GAS		County LEA											
Address P.O. Box 552, Midland, TX 79702		TYPE OF TEST - (X)		Completion ☐ Special ☒											
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	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 BBLs.	GRAV. OIL		OIL BBLs.	GAS M.C.F.
Dayton Hardy	2	I	20	21S	37E	1/21/95	P	NA		24	41	36.2	22	291	13227

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.

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

Thomas M. Price

Signature

Thomas M. Price

Printed name and title

2/1/95

Date

915/687/8324

Telephone No.

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

Mid-Continent Region
Production United States



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

February 2, 1995

Offset Operators
Dayton Hardy Lease
(Mailing List Attached)

Re: Request for Exception to Rule 303-A
Downhole Commingling
Dayton Hardy No. 2
UL "I" 1980' FSL and 660' FEL
Sec. 20, T-21-S, R-37-E
Blinbry and Tubb Pools
Drinkard Field
Lea County, New Mexico

Gentlemen:

Marathon Oil Company has filed an application with the New Mexico Oil Conservation Division to downhole commingle the referenced well. Please find enclosed a copy of the application as outlined in Rule 303-A.

If you are in agreement and waive all objections to the downhole commingling, please sign below and mail the original to the NMOCD in the attached addressed envelope. Also, please return one copy to Marathon at the letterhead address.

Sincerely,

A handwritten signature in cursive script that reads 'Thomas M. Price'.

Thomas M. Price
Advanced Engineering Technician

TMP/9509/tr
Enclosure

Agreed and accepted this _____ day of _____ 1995

by _____, as representative of

	<u>No. of Copies</u>	<u>Certified Mail No.</u>
Mr. David Catanach	3	P 377 873 958
NMOCD - Hobbs, NM	1	
Cross Timbers Operating Co.	1	P 377 873 949
Campbell and Hedrick	1	P 377 873 950
American Exploration Co.	1	P 377 873 951
John H. Hendrix Corp.	1	P 377 873 952
P & P Producing Inc.	1	P 377 873 953
Chevron USA Inc.	1	P 377 873 954
Texaco Exploration & Production Inc.	1	P 377 873 955
Stevens and Johnson Operating Co.	1	P 377 873 956
Conoco Inc.	1	P 377 873 957

To: J. Head

Mid-Continent Region
Production United States



**Marathon
Oil Company**

OIL CONSERVATION DIVISION
RECEIVED

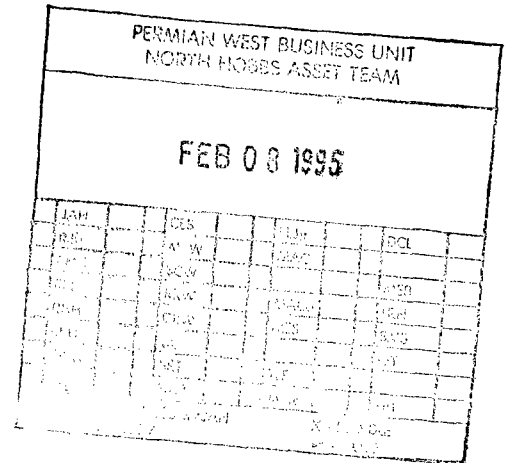
55 FEB 27 AM 8 52

P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

February 2, 1995

Texaco Exploration & Production Inc.
P. O. Box 3109
Midland, Texas 79702-3109

Re: Request for Exception to Rule 303-A
Downhole Commingling
Dayton Hardy No. 2
UL "I" 1980' FSL and 660' FEL
Sec. 20, T-21-S, R-37-E
Blinbry and Tubb Pools
Drinkard Field
Lea County, New Mexico



Gentlemen:

Marathon Oil Company has filed an application with the New Mexico Oil Conservation Division to downhole commingle the referenced well. Please find enclosed a copy of the application as outlined in Rule 303-A.

If you are in agreement and waive all objections to the downhole commingling, please sign below and mail the original to the NMOCDD in the attached addressed envelope. Also, please return one copy to Marathon at the letterhead address.

Sincerely,

Thomas M. Price

Thomas M. Price
Advanced Engineering Technician

TMP/9508/r
Enclosure

Agreed and accepted this 9th day of February 1995

by *J. Head* as representative of

Texaco E & P Inc.

Mid-Continent Region
Production United States

OIL CONSERVATION DIVISION
RECEIVED



**Marathon
Oil Company**

'95 FEB 27 AM 8:02

P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

February 2, 1995

Cross Timbers Operating Company
810 Houston Street, Suite 2000
Fort Worth, Texas 76102-6298

Re: Request for Exception to Rule 303-A
Downhole Commingling
Dayton Hardy No. 2
UL "I" 1980' FSL and 660' FEL
Sec. 20, T-21-S, R-37-E
Blinbry and Tubb Pools
Drinkard Field
Lea County, New Mexico

Gentlemen:

Marathon Oil Company has filed an application with the New Mexico Oil Conservation Division to downhole commingle the referenced well. Please find enclosed a copy of the application as outlined in Rule 303-A.

If you are in agreement and waive all objections to the downhole commingling, please sign below and mail the original to the NMOC in the attached addressed envelope. Also, please return one copy to Marathon at the letterhead address.

Sincerely,

Thomas M. Price

Thomas M. Price
Advanced Engineering Technician

TMP/9508/r
Enclosure

Agreed and accepted this 15th day of FEBRUARY 1995

by Edwin S. Ryan, Jr., as representative of

Cross Timbers Oil Company



CONSERVATION DIVISION
RECEIVED

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

95 FEB 10 AM 8 52

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

2/8/95

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:

Marathon Oil Co Dayton Hardy #2-I 20-215-37e
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed