



DHC-1097

State of New Mexico  
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.  
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148

(505) 827-5760  
FAX (505) 827-5766

February 7, 1995

SANTA FE, NEW MEXICO 87504-1148

Marathon Oil Company  
P.O. Box 552  
Midland, Texas 79702-0552

Attention: Mr. Thomas M. Price

Re: Downhole Commingling Application  
McCallister State Well No. 11  
NE4SW4 Section 25-17S-34E  
Lease No. B-2706  
Upper Penn, Wolfcamp, Abo, Vacuum Field  
Lea County, New Mexico

Dear Mr. Price:

This office is in receipt of your application requesting our approval to downhole commingle the production from the above subject well from the Vacuum (Upper Penn), Vacuum (Wolfcamp) and Vacuum (Abo) Pools in Lea County, New Mexico.

It is our understanding that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>		
	<u>Oil %</u>	<u>Gas %</u>	<u>Water %</u>
North Vacuum (Abo)	32.5	43.1	12.2
Vacuum (Wolfcamp)	48.1	47.1	51.2
Vacuum (Upper Penn)	19.4	9.8	36.6
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	100	100	100

Since it appears that there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling the production from the above-mentioned well is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Marathon Oil Company

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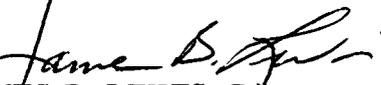
February 7, 1995

Your filing fee in the amount of \$30.00 has been received.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMES B. LEWIS, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JBL/cpm

Enclosure

cc: Reader File  
B-2706

OCD--Santa Fe--Attention: David Catanach, Ben Stone