



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

AMENDED ADMINISTRATIVE ORDER DHC-1807

Marathon Oil Company
P.O. Box 2490
Hobbs, New Mexico 88240

Mr. Andrew W. Schwandt

*McCallister State No. 12
API No. 30-025-33954
Unit L, Section 25, Township 17 South, Range 34 East, NMPM,
Lea County, New Mexico.
Vacuum-Wolfcamp (Oil-62340),
Vacuum Upper-Penn (Oil-62320), and
North Vacuum-Abo (61760) Pools*

Dear Mr. Schwandt:

Reference is made to your recent application for an amendment to Division Order No. DHC-1807 dated February 25, 1998, which order authorized the downhole commingling of Vacuum-Wolfcamp and Vacuum-Upper Penn Pool production within the wellbore, to add the North Vacuum-Abo Pool as a third commingled zone in the well.

It appearing that the subject well qualifies for such amendment pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C., the daily allowable producing rates from the subject well are hereby established as follows:

Oil 355 B/D Gas 710 MCF/D Water 710 B/D

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

| | | |
|------------------------|---------|---------|
| Vacuum-Wolfcamp Pool | Oil 16% | Gas 23% |
| North Vacuum-Abo Pool | Oil 75% | Gas 38% |
| Vacuum Upper-Penn Pool | Oil 9% | Gas 39% |

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 8th day of October, 1998.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

SEAL

LW/DRC

cc: Oil Conservation Division - Hobbs
State Land Office-Oil & Gas Division