

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



November 6, 2018

Surface Commingling Order PLC-526

MARATHON OIL PERMIAN LLC
Attention: Ms. Jennifer Van Curen

Pursuant to your application received on October 5, 2018, Marathon Oil Permian LLC (OGRID 372098) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Section 26, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico;

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

and from the following diversely owned fee wells and leases in said Section, Township, and Range in Lea County, New Mexico.

Lease: Dee Boot Fee 24 34 26 TB Well No. 7H Lease
Description: E/2 E/2 of Section 26
Well: Dee Boot Fee 24 34 26 TB Well No. 7H API 30-025-44165
Pool: Red Hills; Bone Spring, North

Lease: Dee Boot Fee 24 34 26 WA Well No. 6H; Hearing Order R-14577
Description: E/2 of Section 26
Wells: Dee Boot Fee 24 34 26 WA Well No. 6H API 30-025-44212
Dee Boot Fee 24 34 26 WXY Well No. 3H API 30-025-44162
Dee Boot Fee 24 34 26 WXY Well No. 19H API 30-025-44163
Pool: Antelope Ridge; Wolfcamp

The commingled oil and gas production from the wells shall be measured and sold at the Dee Boot Fee 3H, 6H, 7H, 19H Central Tank Battery (CTB), located in Unit A of Section 26, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

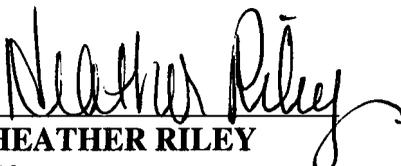
The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

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

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

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

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


HEATHER RILEY
Director

HR/mam

cc: Oil Conservation Division District Office – Hobbs