

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 27, 2018

Surface Commingling Order PLC-534

**MARATHON OIL PERMIAN LLC**  
Attention: Ms. Jennifer Van Curen

Pursuant to your application received on November 1, 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 27 and Section 34, all in Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico;

YARROW; BONE SPRING, SOUTH (87780)  
PURPLE SAGE; WOLFCAMP (GAS) (98220)

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

Lease: Red Light State Com 23 26 27 TB Well No. 14H Lease  
Description: E/2 E/2 of Section 27, and E/2 NE/4 of Section 34  
Well: Red Light State Com 23 26 27 TB Well No. 14H API 30-015-44490  
Pool: Yarrow; Bone Spring, South

Lease: Red Light State Com 23 26 27 WA Well No. 15H Lease  
Description: E/2 of Section 27, and NE/4 of Section 34  
Wells: Red Light State Com 23 26 27 WA Well No. 15H API 30-015-44491  
Red Light State Com 23 26 27 WXY Well No. 18H API 30-015-44492  
Pool: Purple Sage; Wolfcamp (Gas)

The commingled oil and gas production from the wells shall be measured and sold at the Red Light State 23 26 27 14H, 15H, and 18H Central Tank Battery (CTB), located in Unit A of Section 27, Township 23 South, Range 26 East, NMPM, Eddy 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.

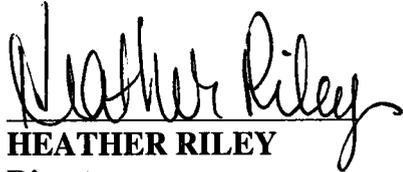
The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

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

This approval is subject to like approval from New Mexico State Land Office before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Artesia 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 – Artesia  
New Mexico State Land Office – Oil, Gas, and Minerals