



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order DHC-4113
Order Date: 11/9/2008

Application Reference Number: pKVR0827057334

MARATHON OIL CO
PO Box 1324
ARTESIA, NM 88211

Attention: FRANK KAUGH

WILLIAM TURNER Well No. 005
API No: 30-025-37070
Unit J, Section 29, Township 21 South, Range 37 East, NMPM
Lea County, New Mexico

Pool: EUNICE;SAN ANDRES Oil 24150
Names: PENROSE SKELLY;GRAYBURG Oil 50350

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception 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 or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

EUNICE;SAN ANDRES Pool	Pct Gas: 90	Pct Oil: 12
PENROSE SKELLY;GRAYBURG Pool	Pct Gas: 10	Pct Oil: 88

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.



Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.
Director

MEF/wvjj

cc: Oil Conservation Division – Hobbs