

N/R

Mid-Continent Region
Production United States



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

December 21, 1994

State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P O Box 2088
Santa Fe, New Mexico 87504-2088
Attn: Mr. David Catanach

**RE: Application for Surface Production Commingling
Edith Butler "B" Nos. 1 and 2**

Dear Mr. Catanach:

Marathon Oil Company requests that administrative approval for the surface production commingling of the referenced lease. Approval of this request will allow Marathon to produce the referenced wells to a common stock tank battery located in Unit Letter I, Section 13, T-22-S, R-37-E of Lea County, New Mexico.

The production from well No. 1 is commingled Tubb/S. Brunson; Abo as per DHC order No. 1048. Production from well No. 2 is commingled Blinebry/S. Brunson; Abo as per DHC order No. 1047. Ownership and royalty interest for both wells is identical and test facilities are in place for allocation of production. Quality of production from neither pool will be affected when they have been commingled.

Please find attached data concerning gravities of the liquid hydrocarbons, the values thereof and the volumes of the liquid hydrocarbons from the commingled pools. A schematic of the installation and a plat showing the locations of the referenced wells is also attached. Copies of the approved DHC orders are also attached.

Should you require additional information concerning this request, please feel free to contact me at (915) 687-8324. Your cooperation and expeditious handling of this matter is greatly appreciated.

Respectfully,

A handwritten signature in cursive script that reads 'Thomas M. Price'.

Thomas M. Price
Advanced Engineering Technician

tmp\jo\94177

EDITH BUTLER "B" BATTERY

Edith Butler "B" No. 1
DHC order No. 1048 Tubb/S. Brunson Abo

<u>Commingled Gravity</u>	<u>\$/BO</u>	<u>\$/MCF</u>	<u>BOPD</u>	<u>MCFPD</u>
37.3	\$16.00	\$1.60	8	308

Edith Butler "B" No. 2
DHC order No. 1047 Blinebry/S. Brunson Abo

<u>Commingled Gravity</u>	<u>\$/BO</u>	<u>\$/MCF</u>	<u>BOPD</u>	<u>MCFPD</u>
37.4	\$16.00	\$1.60	14	263

Value of the commingled production will not be less than the sum of the segregated production.

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

ANITA LOCKWOOD
CABINET SECRETARY

ADMINISTRATIVE ORDER DHC-1048

Marathon Oil Company
P. O. Box 2409
Hobbs, New Mexico 88241-2409

Attention: T. A. Deines

*Edith Butler "B" No. 1
Unit I, Section 13, Township 22 South, Range 37 East, NMPM,
Lea County, New Mexico.
South Brunson Drinkard-Abo and Tubb Oil & Gas Pools*

Dear Mr. Deines:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both 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 and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's Southeast Gas Proration Schedule.

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

Tubb Pool	Oil	17%	Gas	29%
Drinkard/Abo Pool	Oil	83%	Gas	71%

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

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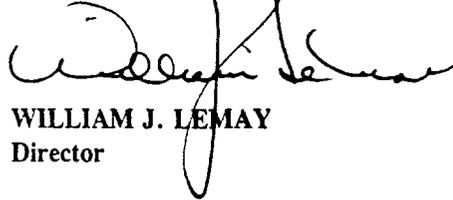
NOV 10 1994

MIDLAND OPERATIONS

Administrative Order DHC-1048
Marathon Oil Company
November 2, 1994
Page 2

Approved at Santa Fe, New Mexico on this 2nd day of November, 1994.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

SEAL

WJL/DC/kv

cc: Oil Conservation Division - Hobbs

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

ANITA LOCKWOOD
CABINET SECRETARY

ADMINISTRATIVE ORDER DHC-1047

**Marathon Oil Company
P. O. Box 2409
Hobbs, New Mexico 88241-2409**

Attention: T. A. Deines

*Edith Butler "B" Well No. 2
Unit J, Section 13, Township 22 South, Range 37 East, NMPM,
Lea County, New Mexico.
South Brunson Drinkard-Abo and Blinebry Oil & Gas Pools*

Dear Mr. Deines:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both 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 and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 4000 by the top unit allowable for the Blinebry Oil & Gas Pool.

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

Blinebry Pool	Oil	38%	Gas	69%
Drinkard\Abo Pool	Oil	62%	Gas	31%

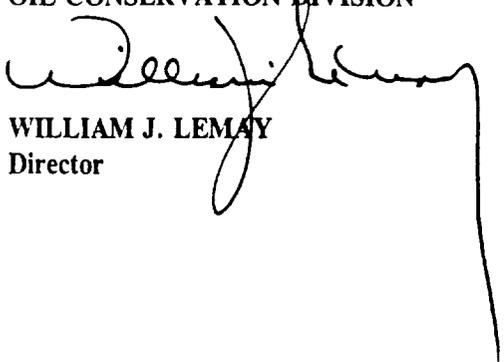
Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

RECEIVED
NOV 10 1994
MIDLAND OPERATIONS

Administrative Order DHC-1047
Marathon Oil Company
November 2, 1994
Page 2

Approved at Santa Fe, New Mexico on this 2nd day of November, 1994.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

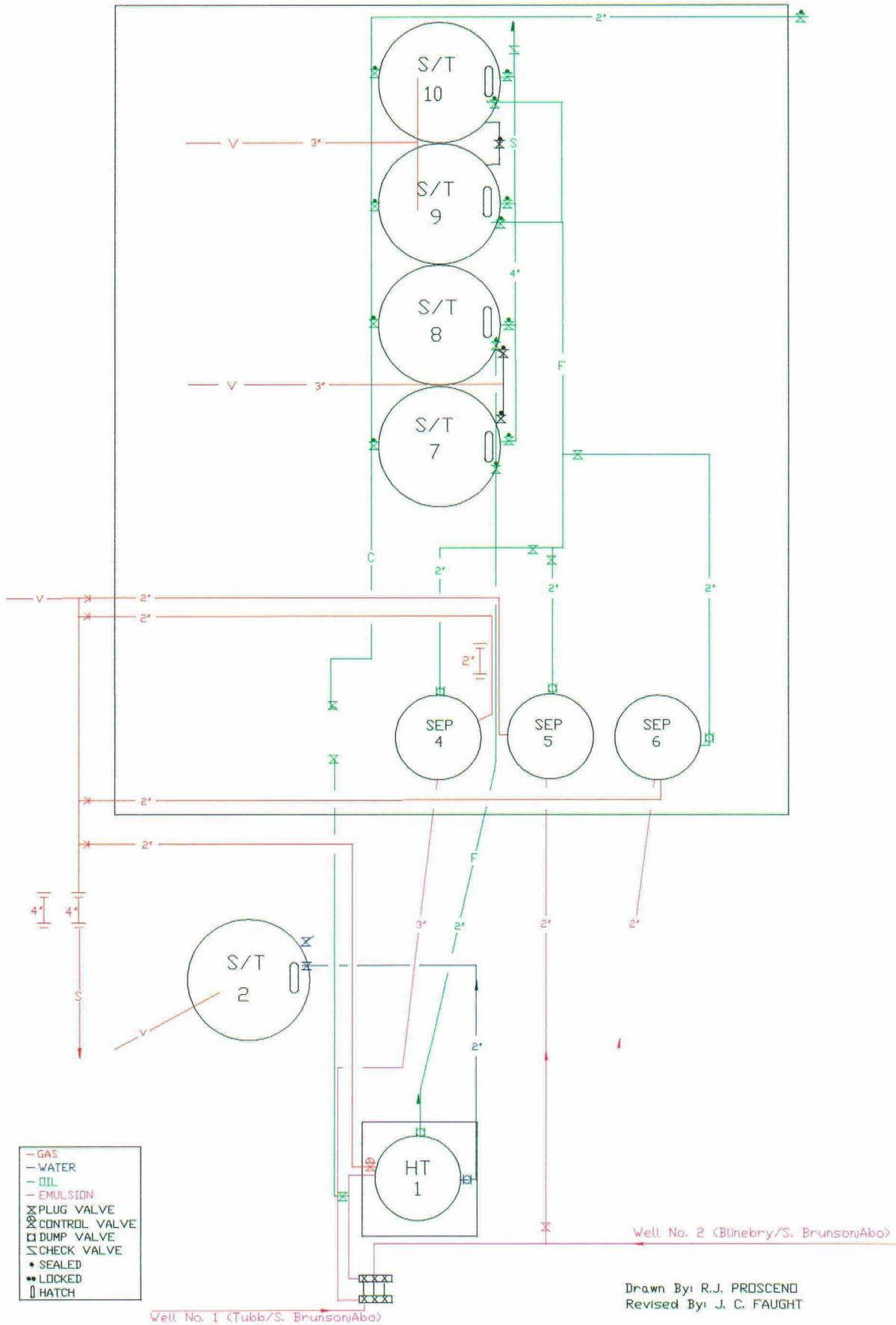
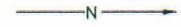

WILLIAM J. LEMAY
Director

S E A L

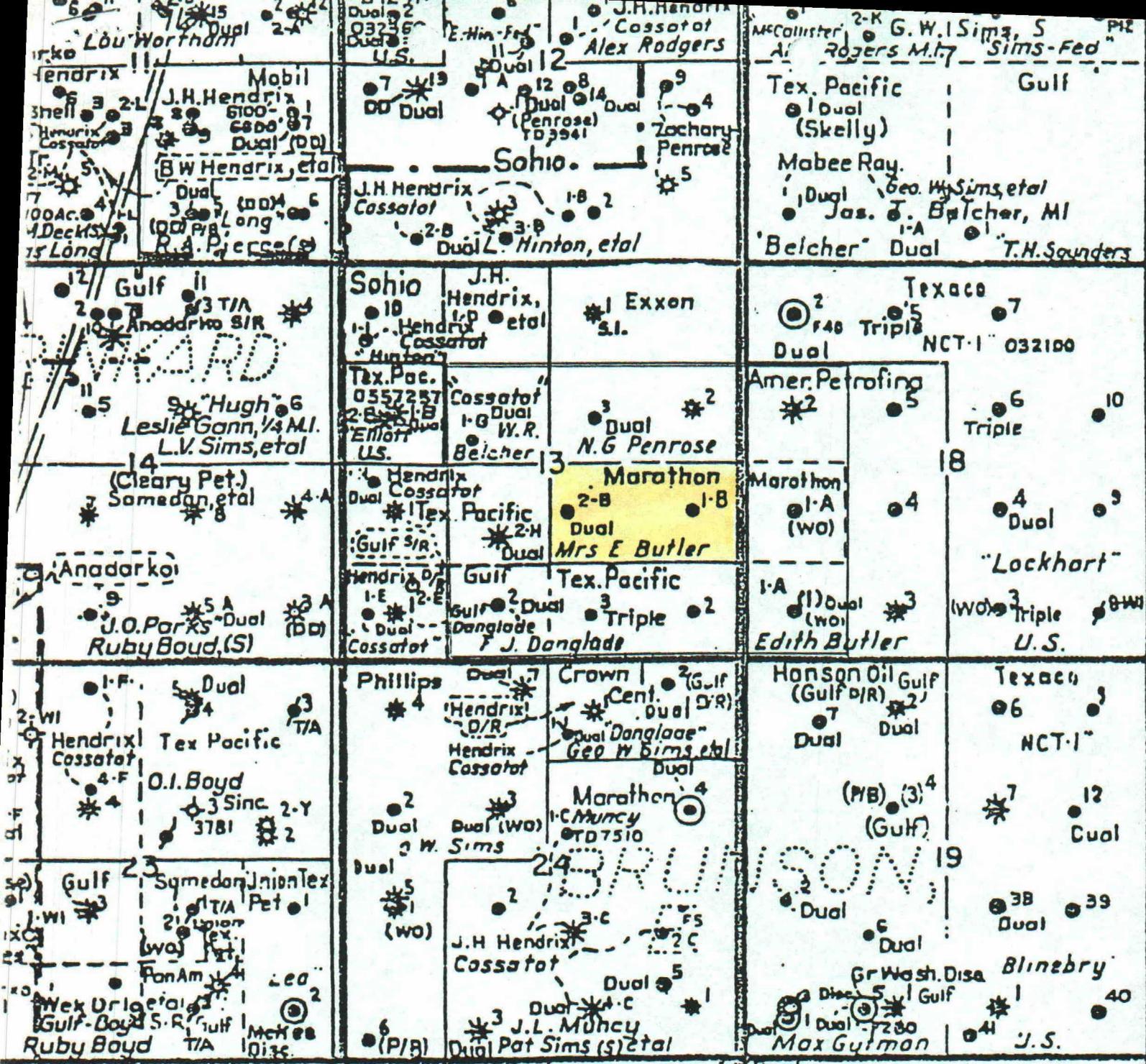
WJL/DC/kv

cc: Oil Conservation Division - Hobbs

Production Facility Drawing
 Edith Butler "B" Battery
 Drinkard Field, NM
 December 20, 1994



Drawn By: R.J. PROSCENDO
 Revised By: J. C. FAUGHT



R-37E

R-38E

MARATHON OIL COMPANY
EDITH BUTLER "B" LEASE

LAND PLAT

DRINKARD AREA
LEA COUNTY, NEW MEXICO



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

PC 900

2/18/98

GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC	_____
DHC	_____
NSL	_____
NSP	<u> X </u>
SWD	_____
WFX	_____
PMX	_____

Gentlemen:

I have examined the application for the:

<u>Marathon Oil Co</u>	<u>Edith Butler B</u>	<u>#1-I-13-22-37</u>
Operator	Lease & Well No. Unit	S-T-R <u>#2-J-13-22-37</u>

and my recommendations are as follows:

Do nothing with this file, unless both or one of the wells
is reclassified as a gas well.

Yours very truly,

Chris Williams
Supervisor, District 1

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