

Mr. David Catanach

November 9, 1994

Page 2

The Staplin State A/C 1 No. 6 well will be surface commingled at the Warn State A/C 1 battery after the oil, gas and water are separately metered on the well location if this amendment is approved. The water will be sent directly to a Rice Engineering disposal line. Only the oil and gas will be sent to the Warn State A/C 1 battery. Allocation will be based on well tests and meter readings from the Staplin State. It is anticipated that the Staplin State A/C 1 No. 6 may eventually be recompleted and downhole commingled in the Upper Penn, Wolfcamp and Abo.

Marathon is the 100% working interest owner in these wells.

A tank battery diagram of the Warn State A/C 1 battery, separator diagram showing relative well, battery and pipeline locations are attached. Should you need any further information concerning this application, please call me at (915) 687-8324.

Sincerely,



Thomas M. Price  
Advanced Engineering Technician

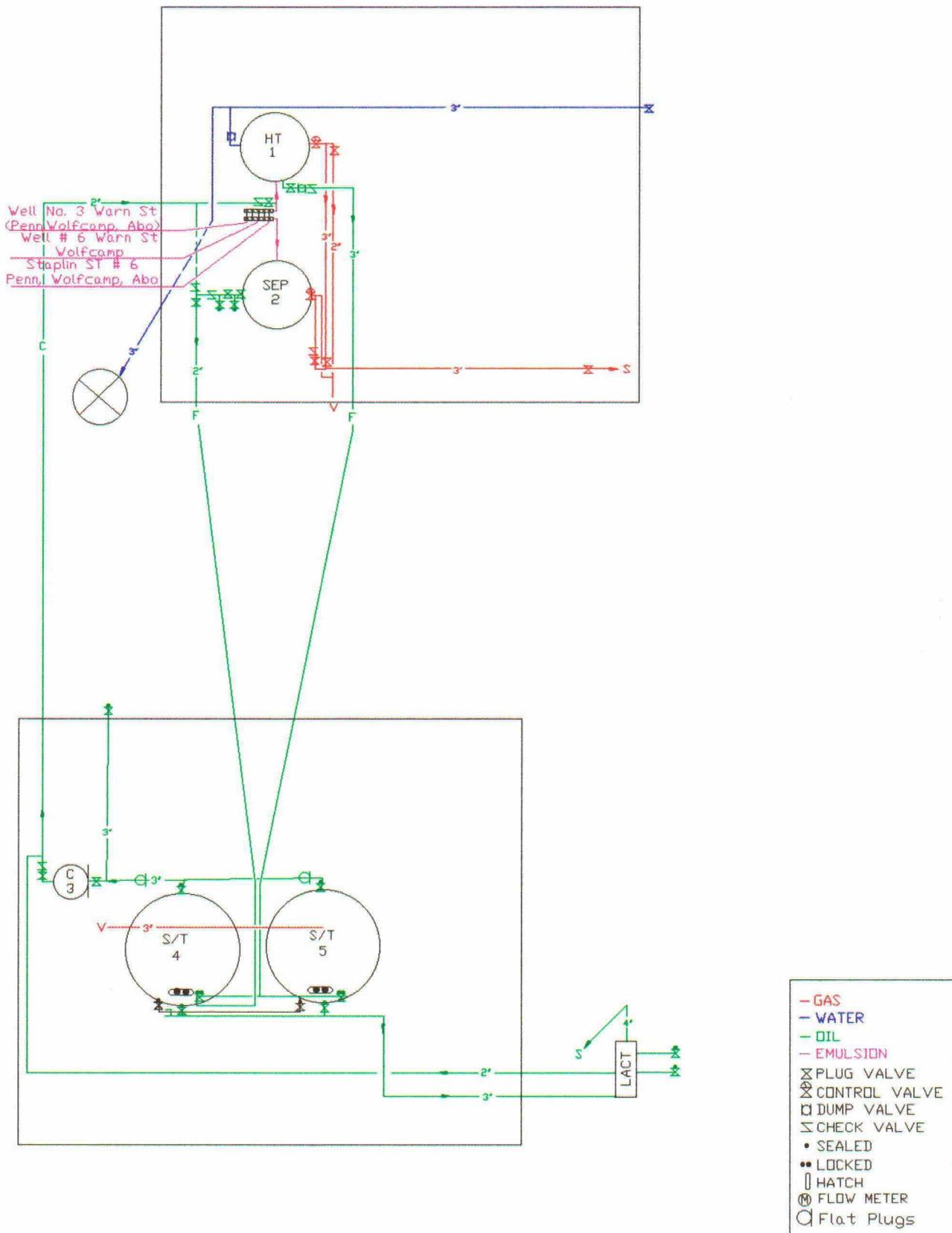
TMP/9412/lr

Attachments

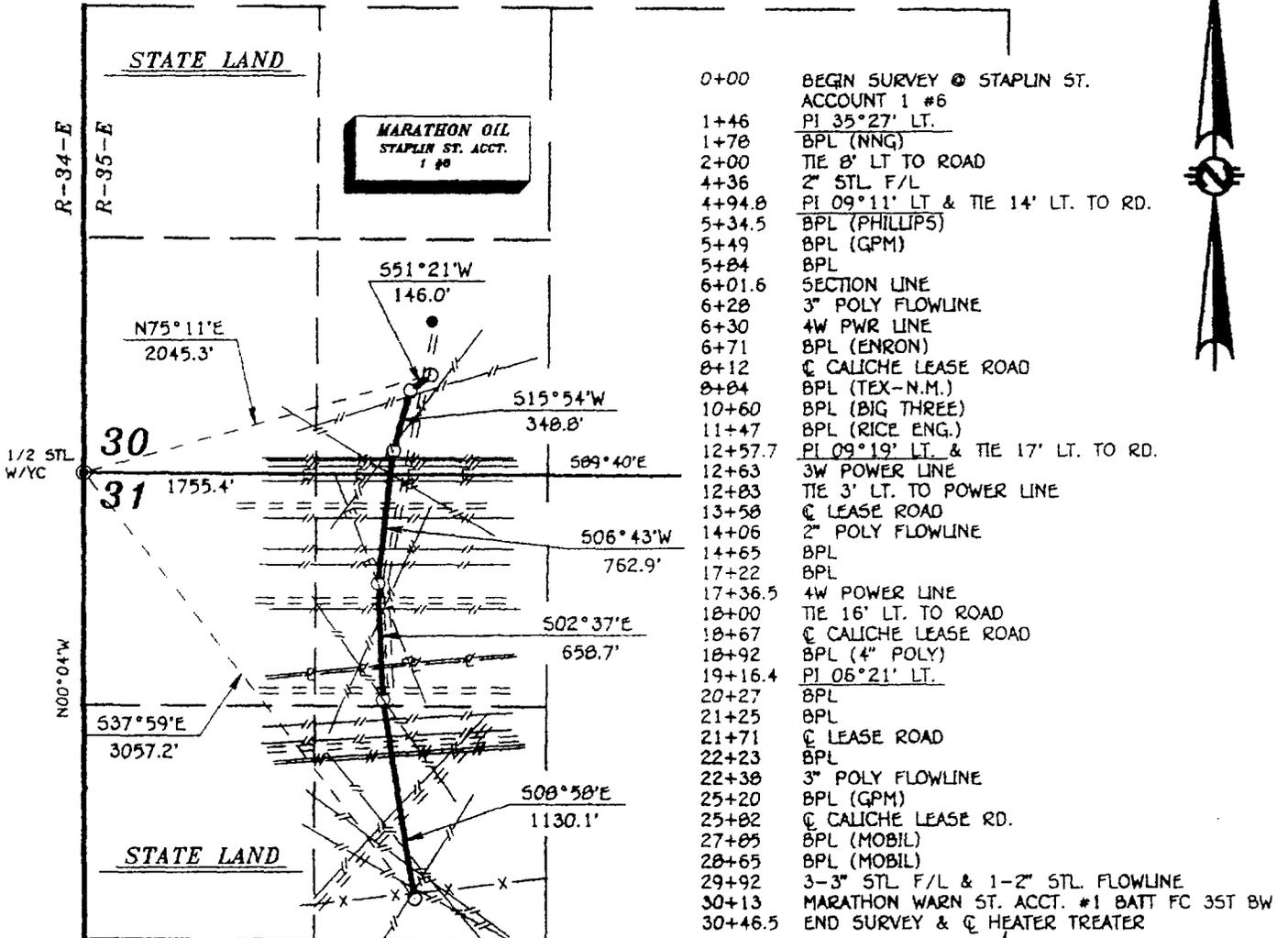
xc: NMOCD - Hobbs

Production Facility Drawing  
 Warn State A/C 1 Battery  
 Vacuum Field, NM  
 Anticipated

— N —



**SECTION 30 & 31, TOWNSHIP 17 SOUTH, RANGE 35 EAST, N.M.P.M.,**  
 LEA COUNTY, NEW MEXICO



- 0+00 BEGIN SURVEY @ STAPLIN ST. ACCOUNT 1 #6
- 1+46 PI 35°27' LT.
- 1+70 BPL (NNG)
- 2+00 TIE 8' LT TO ROAD
- 4+36 2" STL F/L
- 4+94.0 PI 09°11' LT & TIE 14' LT. TO RD.
- 5+34.5 BPL (PHILLIPS)
- 5+49 BPL (GPM)
- 5+84 BPL
- 6+01.6 SECTION LINE
- 6+20 3" POLY FLOWLINE
- 6+30 4W PWR LINE
- 6+71 BPL (ENRON)
- 8+12 C CALICHE LEASE ROAD
- 8+84 BPL (TEX-N.M.)
- 10+60 BPL (BIG THREE)
- 11+47 BPL (RICE ENG.)
- 12+57.7 PI 09°19' LT. & TIE 17' LT. TO RD.
- 12+63 3W POWER LINE
- 12+83 TIE 3' LT. TO POWER LINE
- 13+50 C LEASE ROAD
- 14+06 2" POLY FLOWLINE
- 14+65 BPL
- 17+22 BPL
- 17+36.5 4W POWER LINE
- 18+00 TIE 16' LT. TO ROAD
- 18+67 C CALICHE LEASE ROAD
- 18+92 BPL (4" POLY)
- 19+16.4 PI 05°21' LT.
- 20+27 BPL
- 21+25 BPL
- 21+71 C LEASE ROAD
- 22+23 BPL
- 22+30 3" POLY FLOWLINE
- 25+20 BPL (GPM)
- 25+82 C CALICHE LEASE RD.
- 27+85 BPL (MOBIL)
- 28+65 BPL (MOBIL)
- 29+92 3-3" STL F/L & 1-2" STL FLOWLINE
- 30+13 MARATHON WARM ST. ACCT. #1 BATT FC 35T BW
- 30+46.5 END SURVEY & C HEATER TREATER

**LEGAL DESCRIPTION**

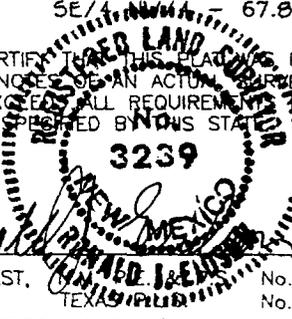
A STRIP OF LAND 33.0 FEET WIDE BEING 16.5 FEET RIGHT AND 16.5 FEET LEFT, CROSSING THE STATE OF NEW MEXICO LAND LOCATED IN SECTION 30 & 31, TOWNSHIP 17 SOUTH, RANGE 35 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES N.75°11'E., 2045.3 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 30; THENCE S.51°21'W., 146.0 FEET; THENCE S.15°54'W., 348.8 FEET; THENCE S.06°43'W., 762.9 FEET; THENCE S.02°37'E., 658.7 FEET; THENCE S.08°58'E., 1130.1 FEET TO THE END OF THIS SURVEY WHICH LIES S.37°59'E., 3057.2 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 31. SAID STRIP OF LAND BEING 3046.5 FEET OR 184.64 RODS IN LENGTH AND CONTAINS 2.31 ACRES MORE OR LESS.

SECTION 30 - SE/4 NW/4 - 36.46 RODS - 0.46 ACRES  
 SECTION 31 - NE/4 NW/4 - 80.34 RODS - 1.00 ACRES  
 SE/4 NW/4 - 67.84 RODS - 0.85 ACRES



I HEREBY CERTIFY THAT THIS PLANING PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS PRESCRIBED BY NEW MEXICO STATUTES.



JOHN W. WEST, No. 676  
 TEXAS P.L.S. No. 1138  
 RONALD J. EIDSON, N.M. L.S. No. 3239  
 TEXAS P.L.S. No. 1883

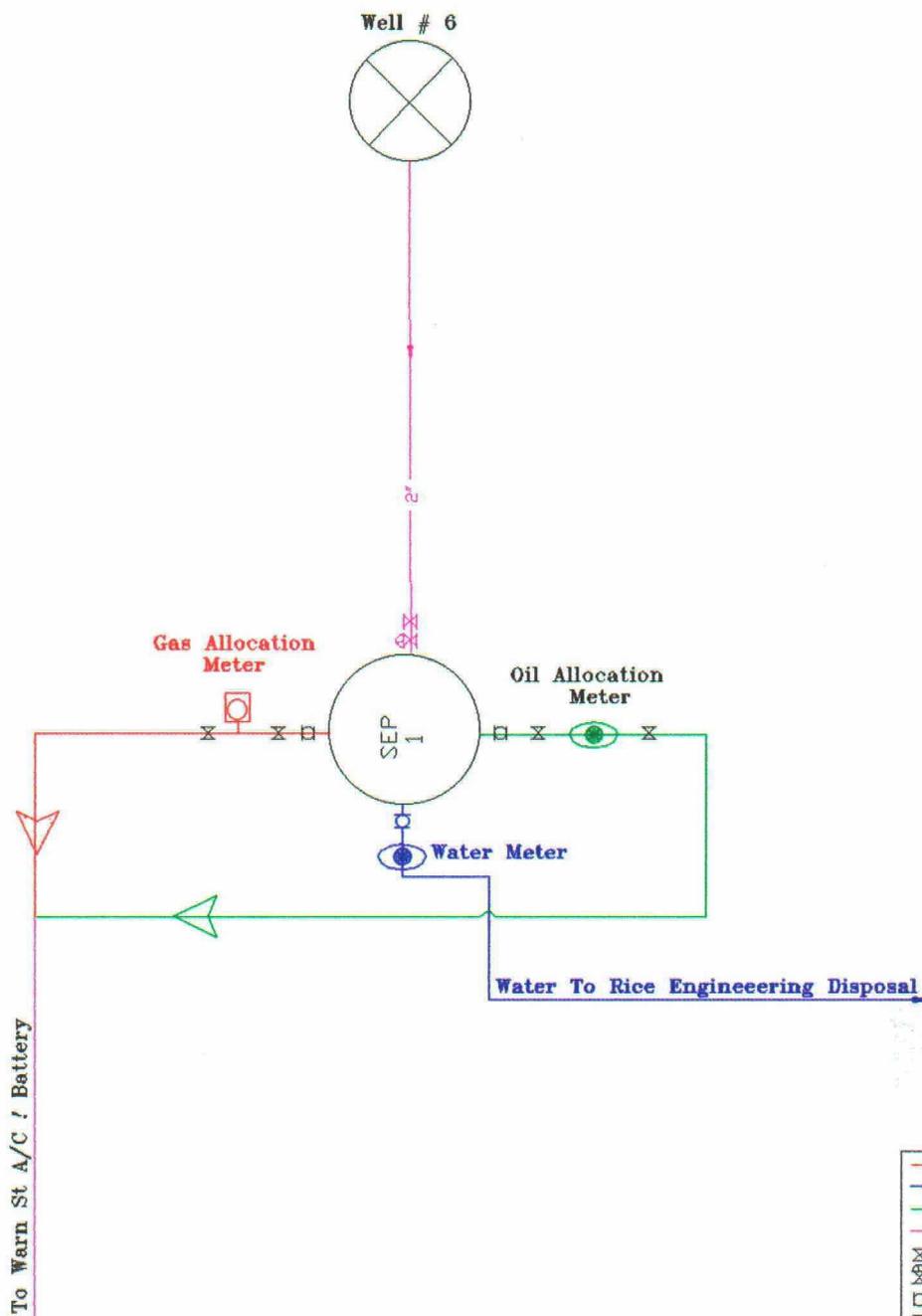
**JOHN W. WEST ENGINEERING COMPANY**  
 CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

**MARATHON OIL COMPANY**

A PIPELINE CROSSING STATE LAND LOCATED IN SECTION 30 & 31, TOWNSHIP 17 SOUTH, RANGE 35 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date:	9-13-94	Sheet	1	of	1	Sheets
W.O. Number:	94-11-1595	Drawn By:	SAW			
Date:	9-16-94	DISK:	SAW #28	MAR1595	Scale:	1"=1000'

# Production Seperator Drawing Staplin St. A/C 1 # 6



-	GAS
-	WATER
-	OIL
-	EMULSION
⊗	PLUG VALVE
⊕	CONTROL VALVE
□	DUMP VALVE
∇	CHECK VALVE
•	SEALED
••	LOCKED
⏏	HATCH
⊗	FLOW METER



State of New Mexico  
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.  
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504 1148

(505) 827-5760  
FAX (505) 827-5766

November 17, 1994

Marathon Oil Company  
P. O. Box 552  
Midland, Texas 79702-0552

Attn: Mr. Thomas M. Price

Re: Surface Commingling Application  
Amendment of Administrative Order PC-226  
Warn State A/C 1 No. 3  
Warn State A/C 1 No. 6  
Staplin State A/C 1 No. 6  
Vacuum Field, Lea County, New Mexico

Dear Mr. Price:

This office is in receipt of your application requesting our approval to surface commingle the Vacuum Clarietta, N. Vacuum Abo, Vacuum Wolfcamp, and Vacuum Upper Pennsylvanian pools on the Warn State A/C 1 Lease (B-1793) located in the NE/4SW/4 and SE/4NW/4 of Section 31-17S-35E, Vacuum Field, Lea County, New Mexico.

It is our understanding that the Warn State A/C 1 Well Nos. 3-F, 6-K (B-1713-1) and Staplin State A/C 1 No. 6 (B 1404 4) production will be surface commingled at the Warn State A/C 1 battery after the oil, gas and water are separately metered on the well location. The allocation will be based on well tests and meter readings from the Staplin State.

Since it appears that there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for surface commingling the above-mentioned wells is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Since the proposed gas line will be crossing more than one state lease, it appears that a right-of-way may be needed from this office. Please contact Debbie Padilla of our Right-of-Way section at (505) 827-5729 for further details.

Your filing fee in the amount of \$30.00 Dollars has been received.

RECEIVED

NOV 21 1994

MIDLAND OPERATIONS

Marathon Oil Company  
November 17, 1994  
Page 2

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:   
FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744  
RP/FOP/pm  
cc: Reader File

Mid-Continent Region  
Production United States



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

November 11, 1994

Mr. Pete Martinez  
State Land Office  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Re: Amendment Administrative Order PG-226

Dear Mr. Martinez:

Marathon Oil Company is respectfully requesting an amendment to the referenced Administrative Order. A copy of the order is attached.

The order as it is now amended permits the commingling of Vacuum-Glorietta, N. Vacuum-Abo, Vacuum-Wolfcamp, and Vacuum Upper Pennsylvanian pools on the Wam State A/C 1 Lease, comprising the NE/4 SW/4 and SE/4 NW/4 of Section 31, T-17-S, R-35-E, Vacuum Field, Lea County, New Mexico.

This battery presently has only two wells producing into it. They are listed below:

Wam State A/C 1 No. 3  
UL "F" 2080' FNL & 1908' FWL  
Sec. 31, T-17-S, R-35-E  
The Wolfcamp, Upper Penn and Abo are downhole commingled in this well as per DHC# 260.

Wam State A/C 1 No. 6  
UL "K" 2030' FWL & 1980' FSL  
Sec. 31, T-17-S, R-35-E  
This well is a Wolfcamp completion only.

Anticipated  
Staplin State A/C 1 No. 6  
UL "N", 525' FSL & 1980' FWL  
Sec. 30, T-17-S, R-35-E  
Presently Wolfcamp only.

Approved: **NOV 17 1994**  
*Ray P. ...*  
COMMISSIONER OF PUBLIC LANDS

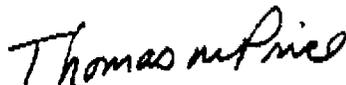
Mr. Pete Martinez  
November 9, 1994  
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The Staplin State A/C 1 No. 6 well will be surface commingled at the Warn State A/C 1 battery after the oil, gas and water are separately metered on the well location if this arrangement is approved. The water will be sent directly to a Rinn Engineering disposal line. Only the oil and gas will be sent to the Warn State A/C 1 battery. Allocation will be based on well tests and meter readings from the Staplin State. It is anticipated that the Staplin State A/C 1 No. 6 may eventually be recompleted and downhole commingled in the Upper Penn, Wolfcamp and Abo.

Marathon is the 100% working interest owner in these wells.

A tank battery diagram of the Warn State A/C 1 battery, separator diagram showing relative well, battery and pipeline locations are attached. Should you need any further information concerning this application, please call me at (915) 687-8324.

Sincerely,



Thomas M. Price  
Advanced Engineering Technician

TMP/9411/r

Attachments

cc: NMOCD - Hobbs