

AMEND PLLC

1/29/98

Mid-Continent Region
Production United States



**Marathon
Oil Company**

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

January 5, 1998

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87505

Gentlemen:

On October 14, 1997, Division Order No. R-10893 was issued by your office. This order, which expands the South Dagger Draw Upper Penn Associated Pool, has a direct affect on Commingling Order PLC-124, dated June 24, 1997. Specifically, it affects the production from Section 3, T-21-S, R-23-E. This section presently has two (2) producing wells. Up until October 14, both wells were in the same pool and produced into the same production separator, with well tests used to allocate production. With the change in pool rules, the production from Comanche Federal "3" Well No. 1, Lease No. NM0384623 in the NE quarter of Section 3, is now from the South Dagger Draw Upper Penn Associated Pool while the North Indian Basin Gas Com. Well No. 3, Lease No. NM05608 in the SW quarter of section 3, produces from the Indian Basin Upper Penn Gas Pool. In accordance with the previously approved commingling permit, the production will continue to be routed to the common production separator and allocated back to the contributing sources by regular well tests.

Attached you will find an amended Acreage Dedication (Form C-102) for each of the above mentioned wells. If you need further information or have any questions, please call Ginny Larke at (915) 687-8449.

Sincerely,

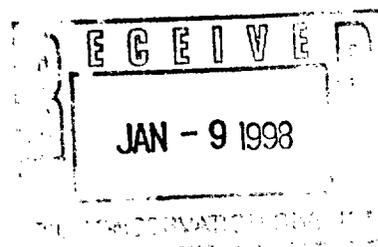
A handwritten signature in cursive script that reads "A. B. Schoffmann".

A. B. Schoffmann
Indian Basin Asset Team Manager

ABS/vll/wperfect/comanch1.wpd

Attachments

xc: Tim Gum
Dist. II Manager



District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-10
 Revised October 18, 199
 Instructions on bac
 Submit to Appropriate District Office
 State Lease - 4 Copie
 Fee Lease - 3 Copie

AMENDED REPOR

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-10557	² Pool Code 79050	³ Pool Name INDIAN BASIN UPPER PENN GAS POOL
⁴ Property Code	⁵ Property Name NORTH INDIAN BASIN UNIT GAS COM	
⁷ OGRID No. 14021	⁸ Operator Name Marathon Oil Company	⁶ Well Number 3
⁹ Elevation		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	3	21 S	23 E		1650	SOUTH	2310	WEST	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

COMANCHE FEDERAL "3" LEASE	¹⁷ OPERATOR CERTIFICATION	
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and</i></p> <p><i>GINNY LARKE</i></p> <p>Signature</p> <p>Printed Name GINNY LARKE</p> <p>Title Engineer Technician</p> <p>Date 1/5/98</p>	
<p>2,310'</p> <p>3</p> <p>1,650'</p> <p>NORTH INDIAN BASIN GAS COM. LEASE</p>	¹⁸ SURVEYOR CERTIFICATION	
	<p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyer:</p> <p>Certificate Number</p>	

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-10
 Revised October 18, 199
 Instructions on bac
 Submit to Appropriate District Office
 State Lease - 4 Copie
 Fee Lease - 3 Copie

AMENDED REPOR

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-28720		² Pool Code 15474		³ Pool Name South Dagger Draw Upper Penn Associated	
⁴ Property Code 17954		⁵ Property Name Comanche Federal "3"			⁶ Well Number 1
⁷ OGRID No. 014021		⁸ Operator Name Marathon Oil Company			⁹ Elevation 3773

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	3	21 S	23 E		1650	NORTH	1850	EAST	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

1650' ● 1 1850' COMANCHE FEDERAL "3" LEASE	¹⁷ OPERATOR CERTIFICATION	
	<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and</i>	
	<i>GINNY LARKE</i> Signature	
Printed Name GINNY LARKE		Title Engineer Technician
Date 1/5/98		¹⁸ SURVEYOR CERTIFICATION
NORTH INDIAN BASIN UNIT GAS COM LEASE		<i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by</i>
		Date of Survey Signature and Seal of Professional Surveyer:
		Certificate Number