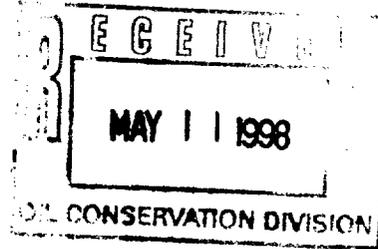




P.O. Box 552  
Midland, TX 79702-0552  
Telephone 915/682-1626

May 8, 1998

New Mexico Oil Conservation Division  
Attn.: Mr. Ben Stone  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505



RE: Amending PLC-140

Dear Mr. Stone:

Please amend the commingle order shown above as follows:

Include Indian Hills Unit Gas Com. Well No. 13. This well was inadvertently left off the original PLC. This well is located at UL "K," Section 29, T-21-S, R-24-E.

Include Indian Basin "32" State Well No. 2. This well will be drilled in the next few weeks. It is located at UL "J," Section 32, T-21-S, R-24-E. Please see attached Form C-102 for more information about this well. The original and 3 copies of this C-102 was sent to the District office in Artesia along with a copy of this letter to inform Mr. Tim Gum of our intentions.

This request is being made pursuant to our telephone conversation of May 8, 1998. If you need more information, or if you have any questions, please do not hesitate to call me at 915-687-8449. Thank you for your help and your prompt attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads 'Ginny Larke'.

Ginny Larke

vll/wperfect/amendplc.wpd

Attachments

xc: Tim Gum  
District II Manager

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

2040 Pacheco St.

Santa Fe, NM 87505

DISTRICT I

P.O. Box 1980, Hobbs NM 88241-1980

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-015-30097
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-992-3
7. Lease Name or Unit Agreement Name INDIAN BASIN "32" STATE
8. Well No. 2
9. Pool name or Wildcat INDIAN BASIN UPPER PENN GAS POOL
10. Elevation (Show whether DF, RKB, RT, GR, etc.)

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
OIL WELL  GAS WELL  OTHER

2. Name of Operator  
Marathon Oil Company

3. Address of Operator  
P.O. Box 552 Midland, TX 79702

4. Well Location  
Unit Letter J : 2000 Feet From The SOUTH Line and 1650 Feet From The EAST Line  
Section 32 Township 21-S Range 24-E NMPM EDDY County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

**NOTICE OF INTENTION TO:**

**SUBSEQUENT REPORT OF:**

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>SURFACE COMMINGLE PRODUCTION</u> <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

MARATHON OIL COMPANY plans to gather the production from this well at a satellite facility in Section 32. (see attached diagram), and then transport this production, via pipeline, to the central facility, located at UL "P", Section 19, T-21-S, R-24-E. Commingling of pools and leases at the central facility was approved 4-14-98, PLC-140. The production will be allocated as previously approved in PLC-140. Oil will be stored in tanks at the central facility and sold through a LACT unit. The gas will go to the Indian Basin Gas Plant. After processing, the gas and NGLs will be metered and sold at the tailgate of the plant. The water will be stored in a tank at the central battery and disposed of into the Indian Basin Field produced water disposal system. Please amend PLC-140 to include this new well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Ginny Larke TITLE Engineer Technician DATE 5/8/98

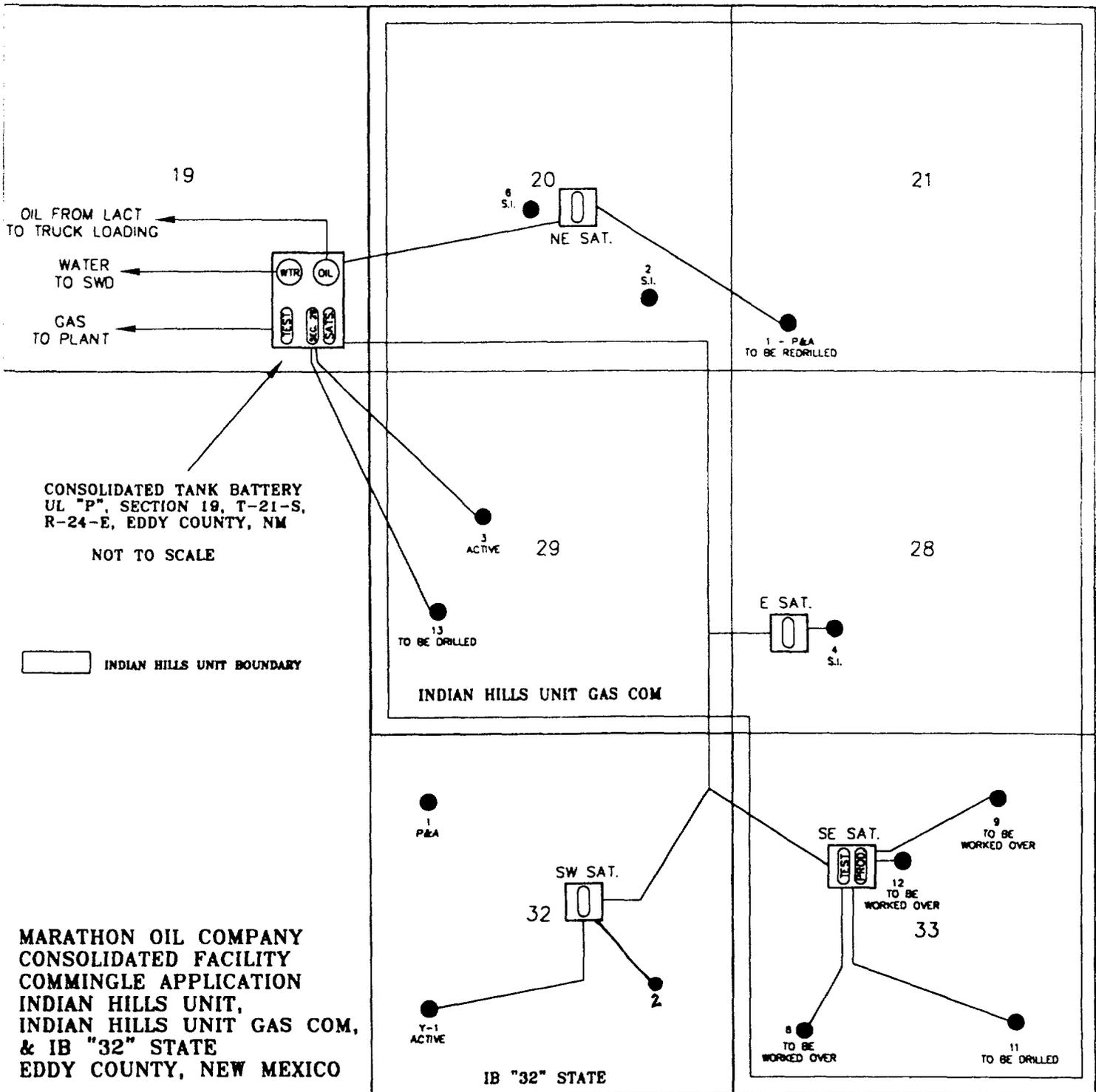
TYPE OR PRINT NAME Ginny Larke TELEPHONE NO. 915-682-1626

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

R-24-E



CONSOLIDATED TANK BATTERY  
UL "P", SECTION 19, T-21-S,  
R-24-E, EDDY COUNTY, NM

NOT TO SCALE

INDIAN HILLS UNIT BOUNDARY

MARATHON OIL COMPANY  
CONSOLIDATED FACILITY  
COMMINGLE APPLICATION  
INDIAN HILLS UNIT,  
INDIAN HILLS UNIT GAS COM,  
& IB "32" STATE  
EDDY COUNTY, NEW MEXICO

IB "32" STATE

R-24-E

1/5/98  
EISMAP.DWG  
BY: V. L. LARKE

T-21-S

