



MARATHON OIL COMPANY

P. O. Box 220  
Hobbs, New Mexico

New Mexico Oil Conservation Commission  
P. O. Box 20  
Santa Fe, New Mexico

Attention: Mr. W. L. Porter, Jr.

Dear Sir:

Marathon Oil Company hereby respectfully requests an exception to Rule 303 (a) to permit the commingling of production from facilities Blinbry (Oil), Brunson, Drinkard and Hare-Simpson production on its L. G. Warlick "C" lease comprising the SE/4 of Section 1, T.21N. R.37E, Lea County, New Mexico. Commingling is proposed after separately metering the Blinbry (Oil) production and determining the Brunson, Drinkard, and Hare production by means of periodic well tests.

Marathon Oil Company presently has separate storage for all of the subject zones. Some of this tankage is in ill repair and in need of replacement. Due to the limited production on this lease it appears economically advisable to install commingling facilities. The above described commingling installation will be operated in accordance with the provisions of the Commission's Manual for the Installation and Operation of Commingling Facilities, including the installation of non-reset counter on the meters.

Attached hereto is a data sheet relating to gravity, volumes, and values of the liquid hydrocarbons, a plat of the L. G. Warlick "C" lease, a schematic diagram of the proposed installation, and a tabulation of production for a 90-day period showing that the average daily production has been below top allowable for the subject pools. Marathon Oil Company owns 70.05 percent working interest in the subject lease.

Yours very truly,

MARATHON OIL COMPANY  
Engineering Department

J. B. Barber  
Petroleum Engineer

JRB:bje

cc: NMCCC - Hobbs

MARATHON OIL COMPANY  
 TABULATION OF PRODUCTION  
 L. S. WARLICK POOL LEASE  
 LLA COUNTY, NEW MEXICO

| Brimford Zone (Well Nos. 1, 2, & 3) |       | Brunson Zone (Well No. 4) |       | Haro Pool (Wells 5, 6, 7) |       |
|-------------------------------------|-------|---------------------------|-------|---------------------------|-------|
| Well No.                            | May   | May                       | May   | May                       | May   |
| 1                                   | 16.57 | 16.57                     | 16.57 | 16.57                     | 16.57 |
| 2                                   | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 3                                   | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 4                                   | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 5                                   | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 6                                   | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 7                                   | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 8                                   | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 9                                   | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 10                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 11                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 12                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 13                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 14                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 15                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 16                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 17                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 18                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 19                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 20                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 21                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 22                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 23                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 24                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 25                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 26                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 27                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 28                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 29                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 30                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| 31                                  | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |
| Daily Avg.                          | 11.04 | 11.04                     | 11.04 | 11.04                     | 11.04 |

NOTE: Well No. 6, Brunson Pool & Well No. 7, Haro Pool are S. 1, & off Proration Schedule.

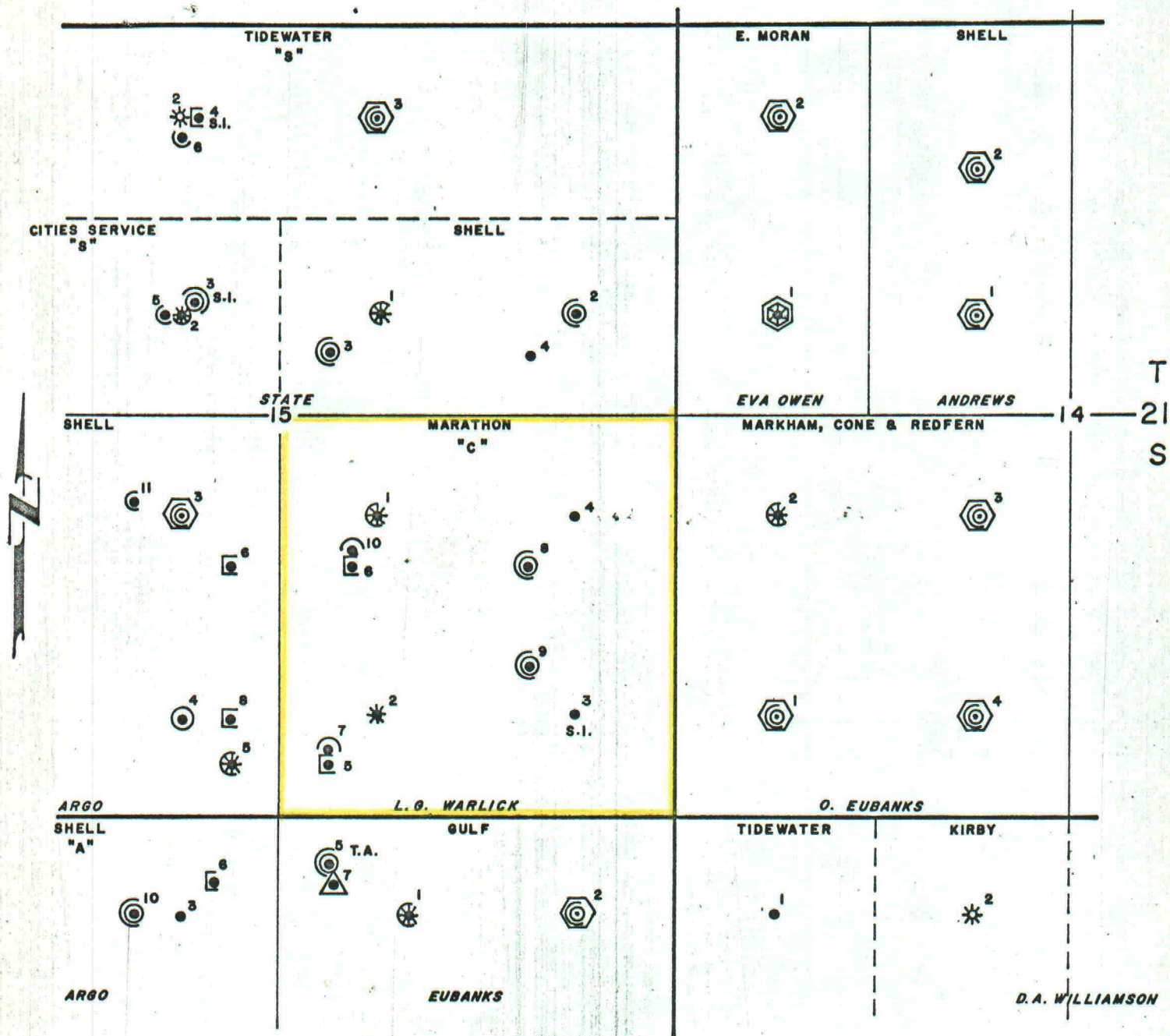
| Zone     | Area<br>Acres | Area<br>Sq. Ft. | Area<br>Acres | Selling<br>Price<br>\$/Bbl. | Income<br>Per Day<br>\$ |
|----------|---------------|-----------------|---------------|-----------------------------|-------------------------|
| Blineary | 1.4           | 30,232          | 1.4           | 2.55                        | 57.70                   |
| Brunson  | 1.4           | 30,232          | 1.4           | 2.52                        | 56.12                   |
| Drinkard | 1.4           | 30,232          | 1.4           | 2.55                        | 57.00                   |
| Hare     | 1.4           | 30,232          | 1.4           | 2.55                        | 57.22                   |
|          |               |                 |               |                             | <hr/>                   |
|          |               |                 |               |                             | 148.04                  |

148.04 = 148.04  
 148.04 = 148.04

Combined values 1.4 30,232 1.4 2.52 148.22

148.22 = 148.22  
 148.22 = 148.22

R 37 E

**LEGEND**

- DRINKARD OIL
- ▲ WANTZ ABO OIL
- ◎ BLINEBRY OIL
- ◉ HARE OIL
- ◻ BRUNSON OIL
- ⊙ BLINEBRY OIL-DRINKARD OIL
- ⊗ DRINKARD OIL-TUBB GAS
- ✱ DRINKARD OIL-BLINEBRY GAS
- ⊕ BLINEBRY OIL-TUBB GAS-DRINKARD OIL
- ✱ BLINEBRY GAS

**MARATHON OIL COMPANY**

'Plat of L.G. Warlick "C" Lease'

**DRINKARD AREA**

Lea County, New Mexico

Scale: 1" = 1000'

5-28-64

MARATHON OIL COMPANY  
"PROPOSED COMMINGLING BATTERY"  
L.G. WARLICK "C" LEASE  
LEA COUNTY, NEW MEXICO  
SCALE: NONE 5-26-64

**L. G. WARLICK "C" LEASE**

LEA COUNTY, NEW MEXICO

SCALE: NONE

X PLUG VALVE  
 ⋈ BLOCK VALVE  
 Z CHECK VALVE  
 Ⓐ BACK PRESSURE VALVE  
 |||| GAS METER  
 Ⓢ METER  
 ♂ SAMPLER  
 P PUMP  
 X METER PROVING CONNECTION  
 TEST SEPARATOR  
 PRODUCTION SEPARATOR  
 HEATER TREATER

