$C_{ij}^{(N)} = O(j_{ij}^{(N)} - p_{ij})$



P.O. Box 2409 Hobbs, New Mexico 88240 Telephone 505/393-7106

May 23, 1977

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

ATTENTION: Mr. Joe D. Ramey, Secretary-Director

Re: On-Lease Commingling, Marathon Oil Company, Edith Butler "B" Lease, Drinkard Field, Lea County, New Mexico

Gentlemen:

Marathon Oil Company respectfully requests administrative approval of an exception to Rule 303-A of the N.M.O.C.C. Rules and Regulations to permit the on-lease, surface commingling of liquid hydrocarbons produced from the Blinebry and Tubb gas zones on Marathon's Edith Butler "B" Lease. This lease is described as the North Half of the Southeast Quarter of Section 13, Township 22-South, Range 37-East, Lea County, New Mexico.

Attached hereto is a plat showing the wells on the subject lease, the offset wells and the pools in which each of the wells on the subject lease are completed. Also attached is a diagrammatic sketch of the proposed commingling facility showing it to be of an acceptable design in accordance with the Commission's "Manual for the Installation and Operation of Commingling Facilities."

Marathon's Edith Butler "B" Well No. 1 is a Tubb gas well and Edith Butler "B" Well No. 2 is a Blinebry gas well. Shown below are the average daily liquid hydrocarbon producing rates from each well during the 60-day period ending March 31, 1977.

<u>Pool</u>	Well No.	Daily Average Liquid Hydrocarbon Production (B/D)		
Blinebry	2	3.3		
Tubb	1	3.5		

The gravities of the liquid hydrocarbons to be commingled are very similar and therefore the mixing of these liquid hydrocarbons will not affect the anticipated income from the lease.

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The royalty ownership on the lease is common throughout.

To allocate the production to the proper well and pool, Marathon proposes to monitor each completion's producing potential by periodic well tests.

Very truly yours,

MARATHON OIL COMPANY

William D Holme

William D. Holmes Petroleum Engineer

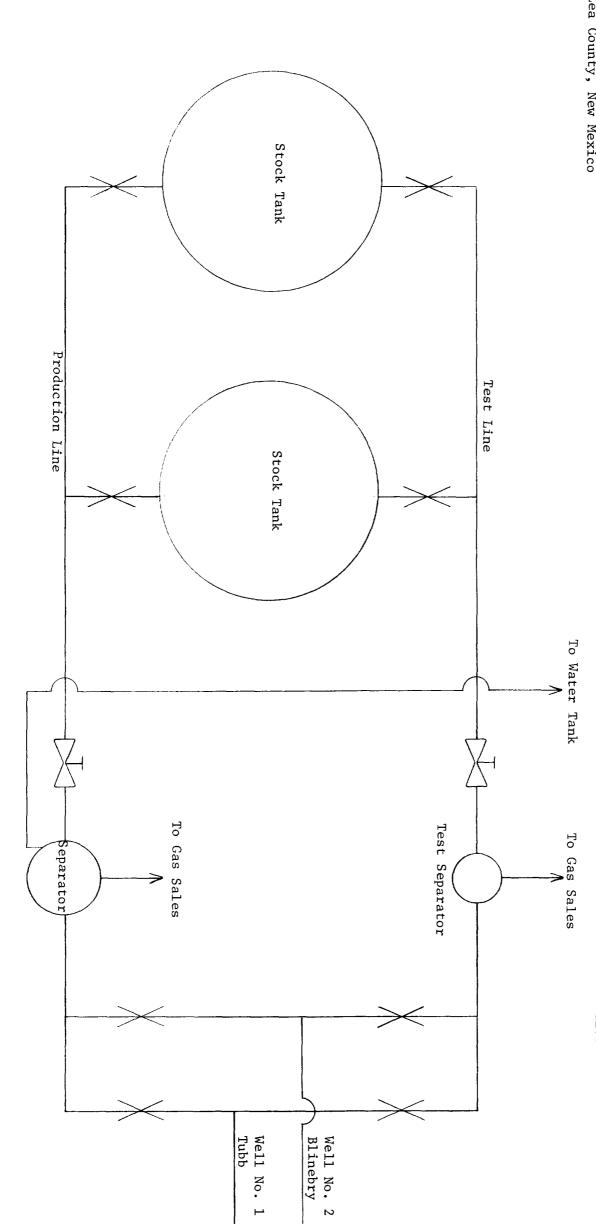
WDH:mfm Enclosures

MARATHON OIL COMPANY
Schematic Diagram of Proposed
Blinebry-Tubb Commingled Tank Battery
Edith Butler "B" Lease
N/2, SE/4, Sec. 13, T-22S, R-37E,
Lea County, New Mexico

LEGEND

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Dump or Back-Pressure Valve



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DRINKARD FIELD Lea County, New Mexico Scale: 1"=1000"	MARATHON OIL COMPANY EDITH BUTLER "B" LEASE	ews Zone an Zone Zone Lal Cum Gas	DATA KEY: Data Zone Production 2 Data	יון, ט	Blinebry Gas Well Tubb Gas Well Dual-Blinebry Oil, Tubb Oil Dual-Tubb Oil, Drinkard Oil Dual-Drinkard Oil, Granite Wash C Dual-Blinebry Oil, Drinkard Oil	Drinkard Oil Well Blinebry Oil Well Paddock Oil Well Granite Wash Oil Well	1