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**Marathon  
Oil Company**

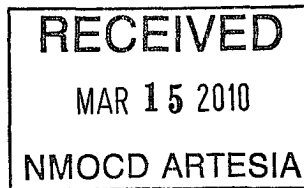
MARATHON OIL COMPANY  
MCR LAND DEPARTMENT

P.O. Box 2490  
Hobbs, New Mexico 88240  
Telephone 505/393-7106

*01-New-6015*

June 26, 2000

Mr. Mark Ashley  
Petroleum Engineering Specialist  
New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505



Re: Request for Exception to Rule 303-A  
Downhole & Surface Commingling  
William Lightfoot '20' State No. 1  
810' FSL & 660' FWL  
Sec. 20, T-18-S, R-28-E  
Wildcat; Wolfcamp & Winchester; Upper Penn West Pools  
Eddy County, New Mexico

Dear Mr. Ashley:

Marathon Oil Company requests administrative approval for an exception to Rule 303-A to permit the downhole and surface commingling of production in the above subject well from the Wildcat; Wolfcamp and Winchester; Upper Penn West pools.

The well was an Upper Penn producer, and had reached its producible economic limit. For this reason, Marathon recompleted the Wolfcamp with the Upper Penn to maximize the economical production from the well. Rod pumping equipment is being utilized to keep the PBHP as low as possible to prevent crossflow.

Marathon currently downhole and surface commingles production from the Travis; Upper Penn and Travis; Wolfcamp pools in the Edward Mitchusson '4' St. No. 1, Sec 4, T-19-S, R-28-E (DHC 2233) and in the Samuel Burns '34' State No. 2, Sec 34, T-18-S, R-28-E (DHC 2027) with no compatibility problems.

Enclosed is pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please advise.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew J. Schwandt'.

Andrew J. Schwandt  
Production Engineer  
(505) 393-7106

Enclosure



**Marathon  
Oil Company**

P.O. Box 2490  
Hobbs, New Mexico 88240  
Telephone 505/393-7106

June 26, 2000

Mr. Pete Martinez  
Commissioner of Public Lands  
State Land Office Building  
P.O. Box 1148  
Santa Fe, NM 87504-1148

Re: Request for Exception to Rule 303-A  
Downhole & Surface Commingling  
William Lightfoot '20' State No. 1  
810' FSL & 660' FWL  
Sec. 20, T-18-S, R-28-E  
Wildcat; Wolfcamp & Winchester; Upper Penn West Pools  
Eddy County, New Mexico

Dear Mr. Martinez:

Marathon Oil Company requests administrative approval for an exception to Rule 303-A to permit the downhole and surface commingling of production in the above subject well from the Wildcat; Wolfcamp and Winchester; Upper Penn West pools.

The well was an Upper Penn producer, and had reached its producible economic limit. For this reason, Marathon recompleted the Wolfcamp with the Upper Penn to maximize the economical production from the well. Rod pumping equipment is being utilized to keep the PBHP as low as possible to prevent crossflow.

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Sincerely,

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Andrew J. Schwandt  
Production Engineer  
(505) 393-7106

Enclosure



**Marathon  
Oil Company**

P.O. Box 2490  
Hobbs, New Mexico 88240  
Telephone 505/393-7106

June 26, 2000

Mr. Tim Gum  
District 2 Supervisor  
Oil Conservation Division  
811 S. First St.  
Artesia, NM 88210

Re: Request for Exception to Rule 303-A  
Downhole & Surface Commingling  
William Lightfoot '20' State No. 1  
810' FSL & 660' FWL  
Sec. 20, T-18-S, R-28-E  
Wildcat; Wolfcamp & Winchester; Upper Penn West Pools  
Eddy County, New Mexico

Dear Mr. Gum:

Marathon Oil Company requests administrative approval for an exception to Rule 303-A to permit the downhole and surface commingling of production in the above subject well from the Wildcat; Wolfcamp and Winchester; Upper Penn West pools.

The well was an Upper Penn producer, and had reached its producible economic limit. For this reason, Marathon recompleted the Wolfcamp with the Upper Penn to maximize the economical production from the well. Rod pumping equipment is being utilized to keep the PBHP as low as possible to prevent crossflow.

Marathon currently downhole and surface commingles production from the Travis; Upper Penn and Travis; Wolfcamp pools in the Edward Mitchusson '4' State No. 1, Sec 4, T-19-S, R-28-E (DHC 2233) and in the Samuel Burns '34' State No. 2, Sec 34, T-18-S, R-28-E (DHC 2027) with no compatibility problems.

Enclosed is pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please advise.

Sincerely,

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Andrew J. Schwandt  
Production Engineer  
(505) 393-7106

Enclosure

**REQUEST FOR EXCEPTION TO RULE 303-A**  
**William Lightfoot '20' State No. 1**  
**Winchester Field**

**A: Operator**

Marathon Oil Company  
P.O. Box 2409  
Hobbs, NM 88241-2409

**B: Lease Name and Well Number**

William Lightfoot '20' State No. 1  
810' FSL & 660' FWL  
Sec. 20, T-19-S, R-28-E  
Eddy Co., New Mexico  
Wildcat; Wolfcamp and Winchester; Upper Penn West

**C: Plats**

Attached

**D: Form C-116**

Attached

**E: Production Decline Curves**

Attached

**F: Estimated Bottomhole Pressures**

Wildcat (Wolfcamp) – est. 2000 psi  
Winchester (Upper Penn West) – est. 2000 psi

**G: Fluid Characteristics**

Marathon currently downhole and surface commingles production from the Travis; Upper Penn and Travis; Wolfcamp pools in the Edward Mitchusson '4' St. No. 1, Sec 4, T-19-S, R-28-E (DHC 2233) and in the Samuel Burns '34' State No. 2, Sec 34, T-18-S, R-28-E (DHC 2027) with no compatibility problems.

**H: Value**

Marathon receives the same price for the products from each zone and value will not be adversely affected.

**I: Production Allocation**

<u>Pool</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>BWPD</u>	<u>Test Method</u>
Wildcat (Wolfcamp)	8	39	3	Post work incremental
Winchester (Upper Penn West)	<u>10</u>	<u>47</u>	<u>0</u>	3/31/00 Production
	18	86	3	6/25/00 Production

<u>Allocated Percentages</u>	<u>Oil %</u>	<u>Gas %</u>	<u>Water %</u>
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Post-workover utilizing above production

Wildcat (Wolfcamp)	44%	45%	100%
Winchester (Upper Penn West)	<u>56%</u>	<u>55%</u>	<u>0%</u>
Total	100%	100%	100%

**J: Ownership**

Ownership of all zones is common and correlative rights will not be violated.