

**From:** [McClure, Dean, EMNRD](#)  
**To:** ["Covarrubias, Adrian \(MRO\)"](#)  
**Subject:** RE: Surface commingling application for Cypress wells  
**Date:** Wednesday, September 16, 2020 11:33:00 AM

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Hello Adrian,

Thank you. Provided no protests are received, I will draft a recommendation to the Director that a permit be issued for this commingling project once the notice period has expired.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

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**From:** Covarrubias, Adrian (MRO) <acovarrubias@marathonoil.com>  
**Sent:** Wednesday, September 16, 2020 11:14 AM  
**To:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Subject:** [EXT] RE: Surface commingling application for Cypress wells

Hi Dean,

Sorry for the delay in getting back to you, but finally got the information requested:

1. Please confirm that each of the follow tracts of land are either single leases or pooled areas.

<b>E/2</b>	<b>Sec 8-T23S-R27E</b>
<b>S/2</b>	<b>Sec 9-T23S-R27E</b>

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*Cypress 1 in the E2 of 8-23S-27E: was not compulsory pooled, it was a voluntary unit. Our predecessor owned 100% of WI, drilled the well and just filed a pooling declaration for the leases. It is all Fee there is not State or Fed CA.*

*Cypress 5 in the S2 of 9-23S-27E: similar story, was not compulsory pooled, is a voluntary unit. At the time of drilling there were two WI owners, both executed JOA and voluntary pooling declaration to form the unit. It is all Fee there is not State or Fed CA.*

*Both are in pooled areas and all necessary steps to pool WI and Revenue Owners were appropriately applied.*

2. Please submit the affidavit of publication for this application.

*Attached is the Affidavit of Publication.*

3. Additionally, please confirm that the gas custody transfer meter is located as follows:

**Gas Custody Transfer Meter Location (NMPM): Unit O, Section 5, Township 22 South, Range 27 East**

*The gas custody transfer meter locations is: Unit O, Section 5, Township 23 South, Range 27 East*

Let me know if you need anything else.

Kind Regards,

**Adrian Covarrubias**

Regulatory Professional | Permian Asset  
Marathon Oil Company | 5555 San Felipe, Houston, TX 77056  
O: 713.296.3368 | M: 713.962.7591

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**From:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Sent:** Friday, September 11, 2020 3:48 PM  
**To:** Covarrubias, Adrian (MRO) <[acovarrubias@marathonoil.com](mailto:acovarrubias@marathonoil.com)>  
**Subject:** [External] Surface commingling application for Cypress wells

**Beware of links/attachments.**

Hello Mr. Covarrubias,

I am reviewing the surface commingling application for the Cypress wells (PLC-706) operated by Marathon Oil Permian, LLC (372098).

Please confirm that each of the follow tracts of land are either single leases or pooled areas.

<b>E/2</b>	<b>Sec 8-T23S-R27E</b>
<b>S/2</b>	<b>Sec 9-T23S-R27E</b>

Please submit the affidavit of publication for this application.

Additionally, please confirm that the gas custody transfer meter is located as follows:

**Gas Custody Transfer Meter Location (NMPM): Unit O, Section 5, Township 22 South, Range 27 East**

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
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