

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ADMINISTRATIVE ORDER DHC-910

Marathon Oil Company
P.O. Box 552
Midland, TX 79702

Attention: Tom Price

*W. S. Marshall "B" Well No. 9
Unit K, Section 27, Township 21 South, Range 37 East, NMPM,
Lea County, New Mexico.
Wantz Abo and Blinebry Oil and Gas Pools*

Dear Mr. Price:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 6000 by the top unit allowable for the Blinebry Oil and Gas Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

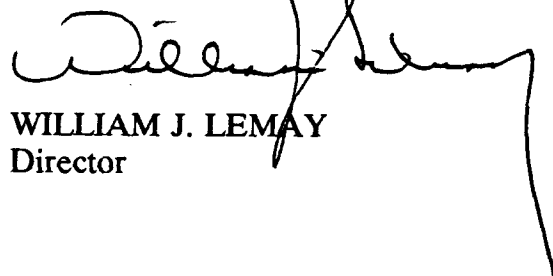
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|--------------------------|-----|-----|-----|-----|
| Wantz Abo Pool | Oil | 18% | Gas | 22% |
| Blinbry Oil and Gas Pool | Oil | 82% | Gas | 78% |

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 24th day of August, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/BES/amg

cc: Oil Conservation Division - Hobbs