



4/1/98

State of New Mexico
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148
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(505) 827-5760
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March 19, 1998

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

Attn: Mr. Bryan L. Williams

Re: Downhole Commingling Application
Exception to Rule 303-A
Warn St. A/C 1 Well No. 6
Unit K, Section 31-17S-35E
Vacuum; Abo, North and Vacuum; Wolfcamp Pools
Lea County, New Mexico

Dear Mr. Williams:

We are in receipt of your application of March 9, 1998, requesting our approval to downhole commingle the production from the above subject well from the Vacuum; Abo, North and Vacuum; Wolfcamp Pools in Lea County, New Mexico.

It is our understanding that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil%</u>	<u>Gas %</u>
Vacuum; Abo, North	21%	0%
Vacuum; Wolfcamp	79%	100%
	<hr/> 100%	<hr/> 100%

Since it appears that there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling the production from the above-mentioned well is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please submit a filing fee in the amount of \$30.00.

Also, please submit a copy of the Oil Conservation Division's approval order.

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If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS



BY:

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm

Enclosure

pc: Reader File

OCD-Attention: David Catanach, Ben Stone