

app # 55622

AMEND DHC 8/3/00

Houston Division  
Production Operations, United States

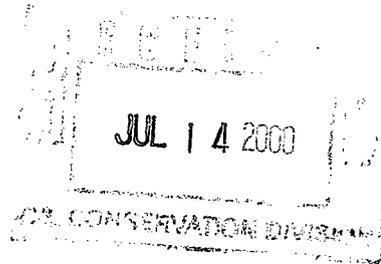


**Marathon  
Oil Company**

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

July 11, 2000

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



Re: Request for Allocation Change to DHC No. 2083  
Warn St. A/C 2 No. 26  
2180' FNL & 400' FWL  
Sec. 6, T-18-S, R-35-E  
Wolfcamp and Upper Penn Pools  
Vacuum Field  
Lea County, New Mexico

Dear Mr. Ashley:

Marathon Oil Company respectfully requests administrative approval to change the production allocation to DHC No. 2083 for the above mentioned well.

Previously the well produced from the Vacuum Wolfcamp, Vacuum Upper Penn, and Vacuum Atoka. The Atoka has been plugged back and the well is currently a Wolfcamp and Upper Penn producer.

Enclosed is the pertinent data supporting the change in production allocation for the Wolfcamp and Upper Penn. If any additional information is necessary, please advise.

Sincerely,

A handwritten signature in cursive script, appearing to read 'A. J. Schwandt'.

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

Houston Division  
Production Operations, United States



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

July 11, 2000

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

Re: Request for Allocation Change to DHC No. 2083  
Warn St. A/C 2 No. 26  
2180' FNL & 400' FWL  
Sec. 6, T-18-S, R-35-E  
Wolfcamp and Upper Penn Pools  
Vacuum Field  
Lea County, New Mexico

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Sincerely,

A handwritten signature in black ink that reads 'Andrew J. Schwandt'.

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

Houston Division  
Production Operations, United States



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

July 11, 2000

Mr. Chris Williams  
District I Supervisor  
Oil Conservation Division  
P.O. Box 1980  
Hobbs, NM 88240

Re: Request for Allocation Change to DHC No. 2083  
Warn St. A/C 2 No. 26  
2180' FNL & 400' FWL  
Sec. 6, T-18-S, R-35-E  
Wolfcamp and Upper Penn Pools  
Vacuum Field  
Lea County, New Mexico

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Sincerely,

A handwritten signature in cursive script that reads 'Andrew J. Schwandt'.

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

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Dept.

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Vacuum-Wolfcamp-Undesignated
Property Code	Property Name	Well Number
	WARN STATE ACCOUNT 2	26
OGRID No.	Operator Name	Elevation
14021	MARATHON OIL COMPANY	3967

Surface Location

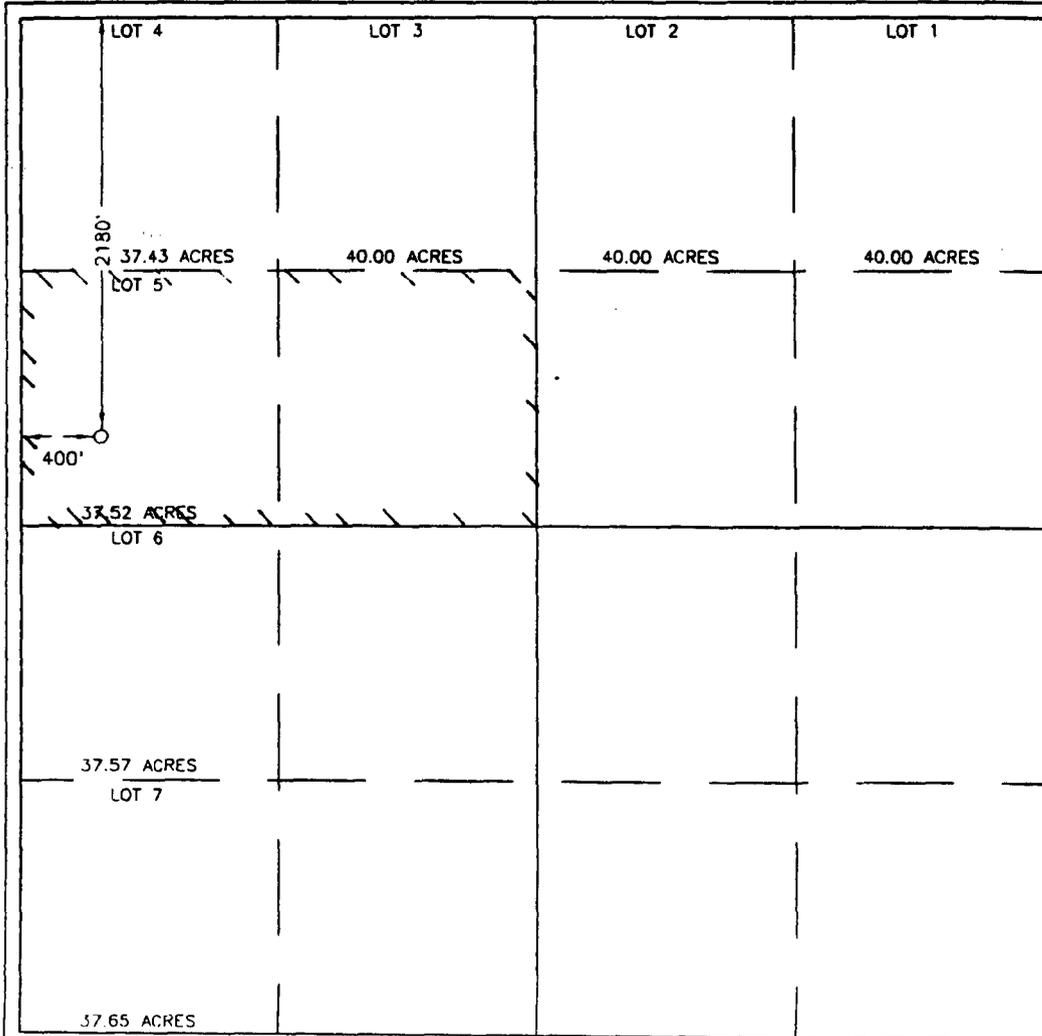
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 4	6	18 S	35 E		2180	NORTH	400	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

*Walter J. Nordt*  
Signature  
D. P. Nordt  
Printed Name  
Drilling Superintendent  
Title  
8/15/96  
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JULY 30, 1996

Date Surveyed DMCC  
Signature of Seal of Professional Surveyor

*Ronald D. Eidson*  
Professional Surveyor  
8-12-96  
Certificate No. JOHN W. SWIST 676  
RONALD D. EIDSON 3239  
RONALD D. EIDSON 12641

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
 P.O. BOX 2088, SANTA FE, N.M. 87504-2088

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-015-33541	Pool Code	Pool Name Vacuum Upper Pennsylvanian
Property Code 6484	Property Name WARN STATE ACCOUNT 2	Well Number 26
OGRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 3967

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 4	6	18 S	35 E		2180	NORTH	400	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80, S/2, NW/4			

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

	LOT 2 40.00 ACRES	LOT 1 40.00 ACRES	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Walter J. Longmire</i>                  Signature                  R. J. Longmire                  Printed Name                  Drilling Superintendent                  Title                  12/14/98                  Date</p>
	LOT 6 37.43 ACRES	LOT 7 37.57 ACRES	

RECEIVED  
 MAY 21 1999

NORTHWEST OPERATIONS

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

2040 Pacheco St.  
Santa Fe, NM 87505

**DISTRICT I**  
P.O. Box 1980, Hobbs NM 88241-1980

**DISTRICT II**  
P.O. Drawer DD, Artesia, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. <b>30-025-33541</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	7. Lease Name or Unit Agreement Name <b>Warn State A/C 2 DHC No. 2083</b>
2. Name of Operator <b>Marathon Oil Company</b>	8. Well No. <b>26</b>
3. Address of Operator <b>P.O. Box 2490 Hobbs, NM 88240</b>	9. Pool name or Wildcat <b>Vacuum; Wolfcamp. Up Penn. Atoka</b>
4. Well Location Unit Letter <b>E</b> : <b>2180</b> Feet From The <b>North</b> Line and <b>400</b> Feet From The <b>West</b> Line Section <b>6</b> Township <b>18-S</b> Range <b>35-E</b> NMPM <b>Lea</b> County	10. Elevation (Show whether DF, RKB, RT, GR, etc.) <b>GL 3967' KB 3982'</b>

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <b>Install rod pump. Plug back Atoka</b> <input checked="" type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

5/30 RU pulling unit. NU BOP. POOH w/tbg, cable & sub pump. RIH w/RBP & pkr. Swab various intervals. Rel RBP at 9730, pkr at 9470', POOH.

6/3 RIH w/CIBP, set at 11,121'. Dump 2 sxs cmt. RIH w/2nd CIBP, set at 11,030'. Dump 2 sxs cmt. RIH w/3rd CIBP, set at 10,450'. No cmt dumped. RIH w/pkr, set at 9664'. Mix & pump 20 gals chemical. Swab.

6/7 RIH, rel pkr, POOH. RIH w/2 7/8" prod tbg.

6/8 ND BOP. NU wellhead. RIH w/pump & rods. Load & test, OK. RD pulling unit.

SN at 10,340'  
Btm of tbg 10,375'

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Kelly Cook* TITLE Records Processor DATE 7/12/00

TYPE OR PRINT NAME Kelly Cook TELEPHONE NO. 393-7106

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:



State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

Form C-116  
Revised 1/1/89

Submit 2 copies to Appropriate District Office.  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240  
DISTRICT II  
811 S. 1st Street, Artesia, NM 88210-2834  
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

### GAS - OIL RATIO TEST

Operator		Pool		County									
Marathon Oil Company		Vacuum; Wolfcamp / Upper Penn		Lea									
Address		TYPE OF TEST - (X)		Completion									
P.O. Box 2409, Hobbs, NM 88240		Scheduled <input type="checkbox"/>		Special <input checked="" type="checkbox"/>									
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS-OIL RATIO CUFT/BBL
		U	S	T						R	WATER BBL.S.	GRAV. OIL	
Warn State A/C 2	26	E	6	18S	35E	6/18/00	P		24	84	7	20	2857
DHC No. 2083 011x Gasx													
Wolfcamp 29 35										43	2	7	3500
Upper Penn 71 65										41	5	13	2600

For Information Only

**Instructions:**

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60°F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

  
Signature

**Andrew J. Schwardt**  
Printed name and title

**Production Engineer**

**July 12, 2000**  
Date

**393-7106**  
Telephone No.

**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
811 South First St., Artesia, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-A  
New 3-12-96

**OIL CONSERVATION DIVISION**

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

Administrative  Hearing

EXISTING WELLBORE

YES  NO

**APPLICATION FOR DOWNHOLE COMMINGLING**

Operator: Marathon Oil Company PO Box 2490 Hobbs, NM 88240  
Address

Well No. Warn State A/C 2 26 Unit Ltr. - Sec - Twp - Rge UL E, Sec. 6, T-18-S, R-35-E Lea County  
Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 014021 Property Code 6484 API NO. 30-025-33541 Federal  State  (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Wolfcamp 62340		Upper Penn 62320
2. Top and Bottom of Pay Section (Perforations)	9495 - 9695'		10,007 - 10,317'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 500	a.	a. 500
	b. (Original) 3375	b.	b. 4700
6. Oil Gravity (°API) or Gas BTU Content	42°		37°
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)  * If Shut-In, give date and oil/gas/water rates of last production  Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data  * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Yes		Yes
	Date: Rates:	Date: Rates:	Date: Rates:
	Date: 2/7/43 Rates: 6/5/00	Date: Rates:	Date: 5/13/41 Rates: 6/1/00
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 29 % Gas: 35 %	Oil: % Gas: %	Oil: 71 % Gas: 65 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones?  Yes  No  
If not, have all working, overriding, and royalty interests been notified by certified mail?  Yes  No  
Have all offset operators been given written notice of the proposed downhole commingling?  Yes  No
11. Will cross-flow occur?  Yes  No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable.  Yes  No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with each other?  Yes  No
13. Will the value of production be decreased by commingling?  Yes  No (If Yes, attach explanation)
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application.  Yes  No
15. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S) \_\_\_\_\_
16. ATTACHMENTS:  
 \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.  
 \* Production curve for each zone for at least one year. (If not available, attach explanation.)  
 \* For zones with no production history, estimated production rates and supporting data.  
 \* Data to support allocation method or formula.  
 \* Notification list of all offset operators.  
 \* Notification list of working, overriding, and royalty interests for uncommon interest cases.  
 \* Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Andrew J. Schwandt TITLE Production Eng. DATE 7/12/00

TYPE OR PRINT NAME Andrew J. Schwandt TELEPHONE NO. ( 505 ) 393-7106