

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



November 27, 2018

Surface Commingling Order PLC-536

MARATHON OIL PERMIAN LLC
Attention: Ms. Jennifer Van Curen

Pursuant to your application received on November 5, 2018, Marathon Oil Permian LLC (OGRID 372098) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Township 24 South, Range 29 East, and Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico;

WILLOW LAKE; BONE SPRING (64450)
PURPLE SAGE; WOLFCAMP (GAS) (98220)

and from the following diversely owned state wells and leases in said Section, Township, and Range in Eddy County, New Mexico.

Lease: Sweet Tea State 24 29 31 TB Well No. 6H Lease; Hearing Order R-14624
Description: Lot 3/ Unit L, Lot 4/ Unit M (W/2 SW/4 equivalent) of Section 31, Township 24 South, Range 29 East, and Lot 4/ Unit D, Lot 5/ Unit E, Lot 6/ Unit L, and Lot 7/ Unit M (W/2 W/2 equivalent) of Section 6, Township 25 South, Range 29 East
Wells: Sweet Tea State 24 29 31 TB Well No. 6H API 30-015-44663
Sweet Tea State 24 29 31 SB Well No. 4H API 30-015-45032
Pool: Yarrow; Bone Spring, South

Lease: Sweet Tea State 24 29 31 WXY Well No. 3H Lease; Hearing Order R-14623
Description: Lot 3/ Unit L, Lot 4/ Unit M, E/2 SW/4 (SW/4 equivalent) of Section 31, Township 24 South, Range 29 East, and Lot 3/ Unit C, Lot 4/ Unit D, Lot 5/ Unit E, Lot 6/ Unit L, Lot 7/ Unit M, and SE/4 NW/4, and E/2 SW/4 (W/2 equivalent) of Section 6, Township 25 South, Range 29 East
Wells: Sweet Tea State 24 29 31 WXY Well No. 3H API 30-015-44661
Sweet Tea State 24 29 31 WD Well No. 2H API 30-015-45031
Sweet Tea State 24 29 31 WA Well No. 5H API 30-015-44662
Pool: Purple Sage; Wolfcamp (Gas)

The commingled oil and gas production from the wells shall be measured and sold at the Sweet Tea State 24 29 31 Central Tank Battery (CTB), located in Lot 3/ Unit L of Section 31, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

This approval is subject to like approval from New Mexico State Land Office before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Artesia District Office prior to implementation of commingling operations.

Subsequently drilled wells that produce from the subject pool within the horizontal spacing units approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.



HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division District Office – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals