



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 15, 1998

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

Attn: Mr. Bryan L. Williams

Re: September 14th, 1998 Application for Surface Commingling Amendment (CTB-467).

Dear Mr. Williams:

Reference is made to your application to surface commingle production on your James Buchanan '33' State Well No.1 central tank battery. Your application includes the addition of the Wildcat Travis-Wolfcamp (96833) Pool production from the following leases:

Lease: David Crockett '27' State Lease
Description: W/2 of Section 27, Township 18 South, and;

Lease: James Buchanan '33' State Lease
Description: E/2 of Section 33, Township 18 South, and;

Lease: Henry Courtman '4' State Lease
Description: N/2 of Section 4, Township 19 South,

Lease: Samuel Burns '34' State Lease
Description: N/2 of Section 34, Township 18 South,

Lease: W.B. Travis '15' State Lease
Description: E/2 of Section 15, Township 18 South, and;

Lease: James Garvin '22' State Lease
Description: S/2 of Section 22, Township 18 South, and;

Lease: George Pagan '26' State Lease
Description: W/2 of Section 26, Township 18 South, and;

Lease: J. Guerrero '34' State Lease
Description: S/2 of Section 34, Township 18 South, and;

Lease: Edward Mitchusson '4' State Lease
Description: S/2 of Section 4, Township 19 South, and;

all located in Range 28 East, NMPM, Eddy County, New Mexico.

Marathon's application can not be approved administratively, therefore it will be set for hearing before the Oil Conservation Division.

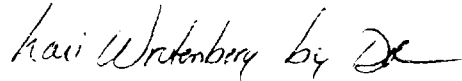
Because of the recent recompletion in the Wildcat, Travis-Wolfcamp of the Samuel Burns '34' State Lease, Marathon is hereby granted temporary authority to commingle production from the Burns No. 2 well for 90 days from the date of this letter.

Production shall be allocated by separately metering the production from each well prior to commingling.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities."

REMARKS: The commingled production shall be stored in the Buchanan No.1 tank battery facility located in Unit Letter 'I', Section 33, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenberg", followed by a stylized flourish or initial.

Lori Wrotenberg
Director

LW/MWA

cc: Oil Conservation Division - Artesia
State Land Office – Oil & Gas Division