CTB 124/98

Mid-Continent Region

Production United States



P.O. Box 552 Midland, TX 79702-0552 Telephone 915/682-1626

December 2, 1998

DEC - 4

Oil Conservation Division Attn: Ben Stone 2040 South Pacheco Santa Fe, New Mexico 87505

Re: Surface Commingling, Off-Lease Storage, Measurement, and Sales and Alternative

Measurement Method of Hydrocarbon Production for the Indian Federal Gas Com

Lease, Section 20 of Township 21 South, Range 24 East

Dear Mr. Stone:

Marathon Oil Company, as operator of the aforementioned lease, respectfully requests administrative approval for surface commingling, off-lease storage, measurement and sales, and alternative measurement method of the production from the Indian Federal Gas Com #1 (LC-063245-A), and the Indian Federal Gas Com #2 (NM-0238436).

Marathon proposes to surface commingle this Morrow production at a central battery. Production will be measured by 3-phase separators, one for each well. The gas will be transported by pipeline to the Indian Basin Gas Plant for processing. After processing, the gas and NGLs will be metered and sold at the tail-gate of the plant. Liquid hydrocarbon production will be gathered into a storage tank and delivered to the central battery, located at the Indian Basin Gas Plant, by truck. It will be stored in tanks at the central battery. The liquid hydrocarbons will then be metered through a LACT unit and sold. Water production will be metered and sent to Marathon's disposal system from the separators.

The attached drawings illustrate the proposed separation equipment and the proposed production batteries and flow scheme for the production from these two (2) wells. Also attached is a more detailed description of the proposed flow and metering of all production, along with a map showing flow from wellhead to central facility.

If you require any additional information concerning this application, please call me at (915) 687-8449. Thank you for your consideration of this request.

Sincerely,

Ginny Larke

Engineer Technician

Attachments

A subsidiary of LISX Corporation

Ginny Larke

Form 3160-5 (November 1994)

UNITED STATES

	FORM APPROVED
	Budget Bureau No. 1004-0135 Expires November 30 2000
Q6544102.2	Expires November 30 2000
	5 Lease Senai No

	AND MANAGEMENT OF ERATOR'S	CORY Expires November 30 2000
	3 Lease Senai No	
	AND REPORTS ON WELLS	LC-063245-A
	r proposals to drill or to re-enter an rm 3160-3 (APD) for such proposals.	6 If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE	- Other instructions on reverse side	⁷ If Unit or CA Agreement, Name and/or No CA - SW-290
1 Type of Well Oil X Gas Well Other 2 Name of Operator		8 Well Name and No. INDIAN FEDERAL GAS COM #1
Marathon Oil Company		
3a. Address	3b Phone No. (include area code)	9 API Well No.
P.O. Box 552 Midland, TX 79702	915 - 682 - 1626	30-015-10355 10 Field and Pool, or Explorators Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description UL "G", 1980' FNL & 1980' FEL	OPI)	INDIAN BASIN MORROW
SECTION 19, T-21-S, R-24-E		11 County or Parish, State
		EDOY NM
12. CHECK APPROPRIA	TE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT	T, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
X Notice of Intent	Acidize Deepen Production	(Start/Resume) Water Shur-Off
	Alter Casing Fracture Treat Reclamatic	on Well Integraty
Subsequent Report	Casing Repair New Construction Recomplete	te X Other <u>COMMINGLE</u>
		<u> </u>
Final Abandonment Nonce	Convert to Injection Plug Back Water Disp	OTT TEASE STONAGE
	Converto mjection Prug Back water Dis	MEASUREMENTS SALES
If the proposal is to deepen directionally or recomp Attach the Bond under which the work will be per following completion of the involved operations. If testing has been completed. Final Abandonment N determined that the final site is ready for final inspection. As required by 43 CFR 3162.7-2 and	d Onshore Oil and Gas Order No. 4 Marathon Oi	ical depths of all pertinent markers and zones. becquent reports shall be filed within 30 days w interval, a Form 3160-4 shall be filed once h, have been completed, and the operator has 11 Company is requesting
	, storage & sales, alternate measurement meth	
	quired by 43 CFR 3162.7-3 and Onshore Oil and	
	off-lease measurement, commingling, and sales ompany Gas Plant which is located in SW/NE, S	
	The general routing of this pipeline is show	
	in a tank and truck hauled to the Marathon Oi	
_	he Alternate Method of Metering for liquid hy	•

A form is attached with further information regarding this request.

SEE ATTACHED FOR CONDIVIOUS OF APPROVAL

14. I bereby certify that the foregoing is true and corre Name (Printed Typed) Ginny Lanke Line	4 - ha	Title	Engineer	Technician	
		Date	11/18/98		
	THIS SPACE FOR FEDER	AL OR	STATE OFFIC	E USE	
Approved by Sally A. F.	W	PE	TROLEUM	ENGINEER	Date NOV 2.7 1993
Conditions of approval, it any, are attached. A certify that the applicant holds legal or equitab which would entitle the applicant to conduct operation	le title to those rights in the subject	oct orl ∩e			

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING OFF LEASE MEASUREMENT. STORAGE AND ALTERNATIVE MEASUREMENT APPROVAL

To: Bureau of Land Management

P.O. Box 1778

Carlsbad, New Mexico 88220-1778

Marathon Oil Company is requesting approval for Surface Commingling, Off Lease Storage & Measurement and Alternative Measurement of hydrocarbon production from the following formation and well(s) on Federal Lease(s) listed below:

INDIAN FEDERAL GAS COM: SECTION 19, T21S, R24E FORMATION: MORROW

				API		
Well		LEASE		Grav		API NO.
No.	<u>UL</u>	NUMBER	BLHCPD	60°F	MCFD	30-015
1	G	LC-063245-A	1	58.1	751	10355
2	J	LC-063245-A	1	58.0	1,203	10971

The proposed operation is described in detail on the attached diagrams. Liquid hydrocarbon production will be measured using turbine meters per prior approvals. These meters are proved on a regular schedule.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the commingling/common storage facility. All unitized/communitized areas and producing zones/pools are also clearly illustrated. Schematic diagrams are also attached which clearly identify all equipment that will be utilized.

The Storage and Measurement facility is located at Marathon's Indian Basin Gas Plant, <u>Unit Letter</u> "G". Section 23. T-21-S. R-23-E. Eddy County, New Mexico. The BLM will be notified of any change in facility location.

Details of the proposed method for allocating production to contributing sources are as follows: Gas is measured at the lease using allocation meters. It is then transported to the Indian Basin Gas Plant by pipeline. After processing the gas, it is metered at the tail-gate of the plant and sold. Liquid hydrocarbon production is measured on the lease and then gathered into a storage tank. It is then truck hauled to the Storage and Measurement facility shown above where it is processed and sold through a LACT unit. The produced water is injected into various water disposal wells per prior approvals. All production will be allocated to wells based on monthly well tests and the previously approved methods of lease allocation.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. The proposed commingling is necessary for continued operation of the above referenced Federal Lease.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by lease instrument and we will submit, within 30 days, an application for right-of-way to the BLM's Realty Section in your office, if we have not already done so.

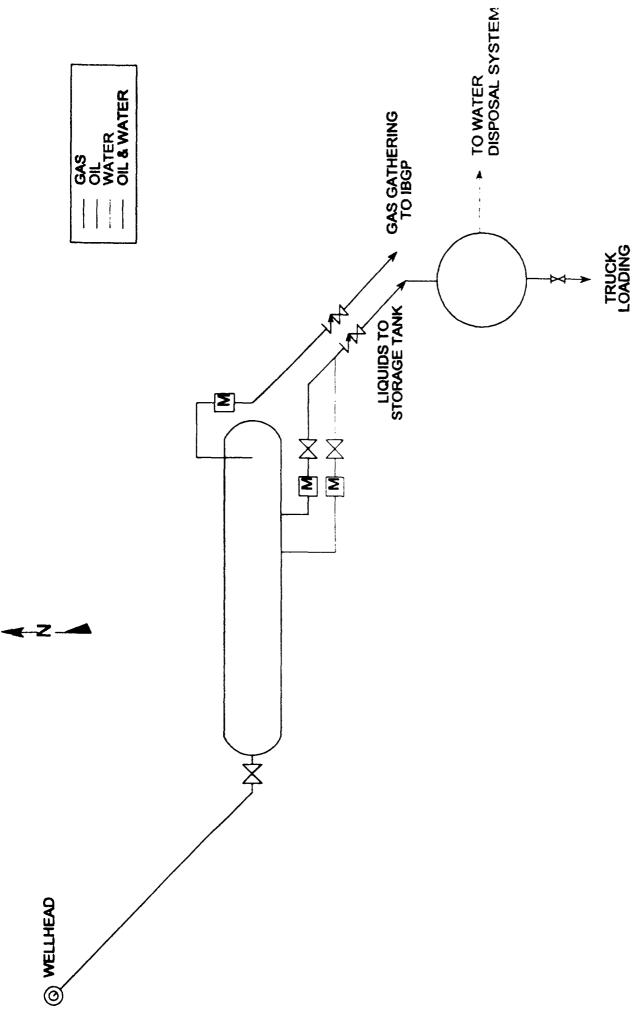
Additional wells require additional commingling approvals.

Signature

Name: Ken Tatarzyn

Title: Indian Basin Asset Team Manager

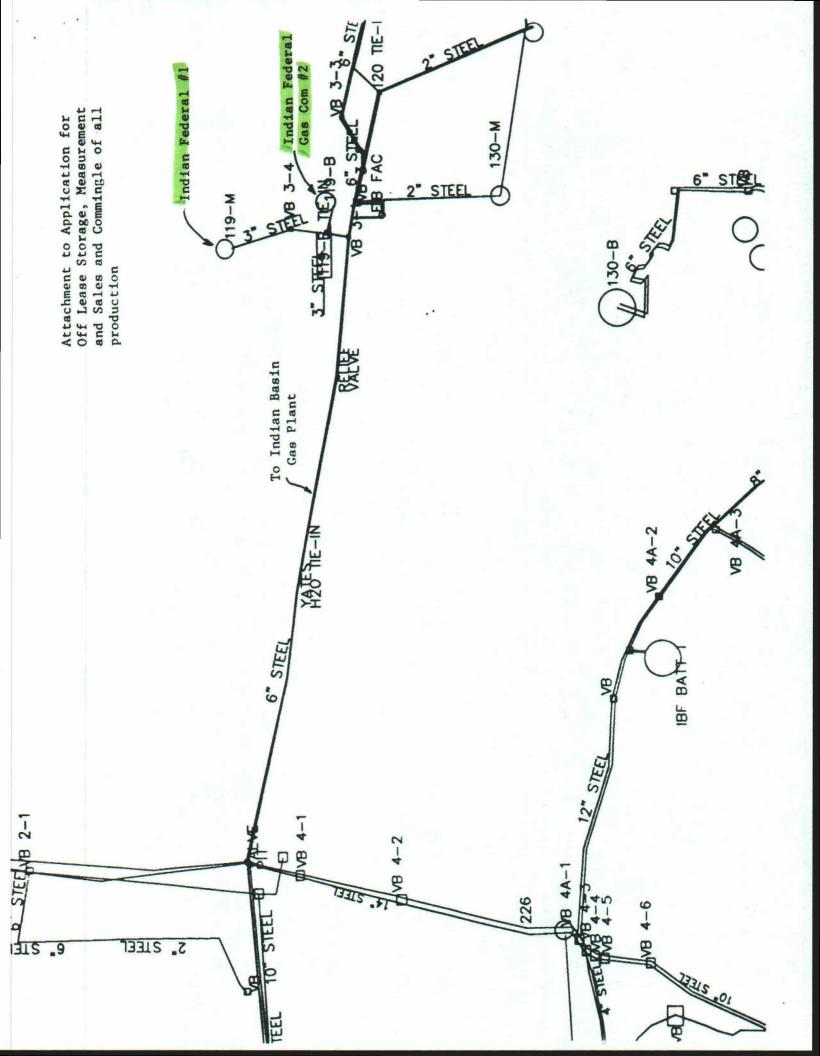
Date: November 18, 1998



MARATHON OIL COMPANY INDIAN FEDERAL GAS COMM. #1 Station No. 119M

1980' FNL; 1980' FEL Sec. 19 T-21S; R-23E EDDY COUNTY, NEW MEXICO SW-290; LC-063245A

G. LARKE\M:\ACADDWGS\ACADLTDWGS\INDFED1.DWG 11/18/98



34	35 Special Mil		हित्र अस्टिका अस्टिका क्षेत्रका स्ट Central Resinci 25494	Grana Roy C. C. Cratan O.G. C. 120 Shen Co. Shen Co. Shen Feel	Granes Roy (K reven Cicia) 10 20 20 20 20 20 20 20 20 20 20 20 20 20	er poet
HOP	03 2 2 2 2 2 2 2 2 2	Phillips A - 1 CS 3\ 4 - 040 27 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 50 70 70 70 70 70 70 70 70 70 70 70 70 70	3542 81 254276 154476 25 176000 1653 81 1660 1 17 1642 1543 29 16432 25 1640 1643 264	Circles OLG Greenes Nay (()	3. d 3seen 00 3 1 1 1 1 1 1 1 1 1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
orathon substantial	Marathan #81 /680 #77	5722 	73 00 of 1 + - Of	Citation 364) C Sasser Supplies 20 Locker Citation 3641 Close	Pass Fea Gar C Sassen Pass Feg Various Cisc	!
d an Besin un III	16 3 6 1 16 3 6 1 16 3 6 1 16 1 6 1 Marchan Mau 23668	53 17 us Narathen MBU	Snell Fed 3 14333 Managard Filling & Control 4 3 3 3 1433 Market 5 3 3 4 1433 Market 6 5 3 5 4 14 14 14 14 14 14 14 14 14 14 14 14 1	Smell 122003 Table 1 T	25 25 25 25 25 25 25 25 25 25 25 25 25 2	Car of oses*
BASIMUNIT	//O / 3 8 Mill 1/2 1/2 1/2 1/2 1/2 1/2 1/2 1/2 1/2 1/2	12	Tag 1423 5403 5 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	*She !: Fed.*	av a fasken Mi-118 (e.g. 1) 100 (e.g. 1) 100 (e.g. 1) 100 (e.g. 1) 100 (e.g. 1) 100 (e.g. 1) 100 (e.g. 1)	ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا
	4763	818 77 , +355 HRP	72.3 4 5h. 185 Monsanto 6 185 6 13 66 15 12 15 6 13 65 1 15 12 15 17 18 18 18 18 18 18 18 18 18 18 18 18 18	911314 A. 3-7956 2-7956 A. 3-7956 1-7956 A. 3-	David Fasken Serily Fed (4 Mil. U.S. (Marethan & Marala/2) (Marethan & Marala/2)	15 162 4 (m)
1 1681	Sama Ener	<i>िक्र</i>	Varianto 308 6 9 56 9 56 5 3.43 3.325 € 100 2.52 € 100	Morale Swift Holy 042(5) Mary Ret 1980 US Jacques M. 1980 US Jacques M	Charter a dato.	मानुष्य अस्तर्भाग
2 1764416	Maria Serger fed 5(8 50) Permase 14 Serger Serger Mariange File Mariange Resident Fee	Canada 13 Observation	1943-17 18 10 00 00 00 00 00 00 00 00 00 00 00 00	Construction of the constr	Merchant Grand Merchant	ह्या है हिस्से निर्देश प्रकृति है इस्से हैं हुए हैं सम्बद्धित
Weighten Weight bg) 25 GIZ Parash Co	Morathon MW Pet, shall 10384628 -99 (1264414)	US More han HBP C191418	37. 35	Jegs stacts Their Street Comments of the Stre	Selection Marather Marather Marather Take HBU Take Italia Take	Serio F. Serio F. 4278
22 (1007)	Merre Dec 736	24 24		INDIAN 20 HILLS 4173		93
Marathen 179	MW Pet. 1802	Morala Varonne (4 7 Co. /802 stells - 70 so	Approx 15 mm and	# US # 2330	Mersten Haven	\$50 F1 200
2774	7 26	4774 42° 4774 42° 40°-25 40°-21	The street of th	\$10\$*\\ \$10\$*\\ \$4713 \$\\ \$4713 \$\\ \$4713 \$\\ \$4713 \$\\ \$4713	1266	27 27 28 1-21
dian Basin	rciar Basir	History Bissor Tour Base US	Jose the state states of Congress of States of	nour de 7 Person 15 Person 16 Pe	## 176 1984	Sarra f
Milegeral) (MW Pet) (34444 Vigrathan (306	(Jehn H Prigg) MW Pet. 06953 <u>ac T</u> 264 Mil	Orus [3.74 	79 37 7 40 000 1 100 200 1	4 3 [174] 292 4 3 [174] 202 (174) 203	- 1287 1285 - 1286 - 1287 1286 - 1287 - 1287 1287 1241 - 1287 133 1286 1347 13	5120
o o o o o o o o o o o o o o o o o o o	35 		197 - 1 Delta Per 1980 - 1981	3 10 Act 1	te sa street - dias sa street s Sand Indian Hills Unit?	^
10.5 11010 MW Pet. 15113 66963	Crys Carl	1 18 28 18 18 18 18 18 18 18 18 18 18 18 18 18	2 ar 52 rifs; 22 315; 22 275; 23 ar 0 (Ball Farm eta 45%) 10 (Ball Farm eta 45%) 10 Harder 5 V Amora 3: 215 1410 52		52 98 of 52 91 3 52 98 E 52 28 Somma Fe Ener. 1	51 46 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Jaw Ret () 2999 J. Staff Tes Bagge Flate Unit	-2 -2 	I G ²	3431 P	170.100 70	Unit 4	3
#1. Chevron #45173	State MW Pet.	"Smith: Fed" US. MW Pet. HBC	#Indian Basin - Fed." U.S. Bill Fenn 1 94 1 94 2 94 3 708	Sorte fig Ever # 1.34 # 1.320 \$275 75 12	U.S. Yetes Pet. 12 - 1 - 93 76214 10 90	U.S. Varies
4-16 O-46Mii 10	6 22 mg July 3 mg/k - red	0231099 83393448 5 4 4 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Soma Fetare - 4 1 95 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	9	IC Necro

Bureau of Land Management Roswell District 2909 West Second Street Roswell, New Mexico 88201 505-627-0272

Off-Lease Measurement, Storage, and Surface Commingling Conditions of Approval

Approval of surface commingling and off-lease storage and/or measurement is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in sales method or location of the facility.
- 2. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 4. This approval is subject to like approval by the New Mexico Oil Conservation Division.
- 5. Additional wells and/or leases require additional commingling approvals.
- 6. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.

Form 3160-5 (November 1994)

UNITED STATES

DEPARTMENT OF THE INTERIOR

CENTUR	C	1	FORM APPROVED
	-		

Budge	t Bureau No.	1004-013
_		30 3000

 Expires	November	30	2000

DIDCALIANT	<u></u>	Expires November 30 2000		
BUREAU OF L SUNDRY NOTICES	5.	Lease Strin No. 238436		
Do not use this form fo	-	If Indian, Allottee or Tribe Name		
abandoned well. Use Fo	((((((((((it urdian, Aurotice of Time (Value		
SUBMIT IN TRIPLICATE - Other instructions on reverse side			If Unit or CA Agreement, Name and/or No SW-290	
Type of Well	· · · · · · · · · · · · · · · · · · ·		. 2M.520	
Oil X Gas Other		-	Well Name and No DIAN FEDERAL GAS COM #2	
Name of Operator			NAME OF THE PERSON OF THE PERS	
Marathon Oil Company			API Well No.	
P.O. Roy EE2 Midland TV 70702	3b. Phone No. (inci	ואַכּון	-015-10971	
P.O. Box 552 Midland, TX 79702 Location of Well (Foolage, Sec., T., R., M., or Survey Descript	915 • 682 • 1626		Field and Pool, or Exploratory Area DIAN BASIN MORROW	
UL "J", 1349' FSL & 2025' FEL		Tur	DIAN BASIN MORKOW	
SECTION 19, T-21-S, R-24-E		11	County or Parish, State	
0201200 25, 1 22 5, N 24 2			EDDY NH	
12. CHECK APPROPRIA	TE BOX(ES) TO INDICATE NATUR	E OF NOTICE REPORT OF		
TYPE OF SUBMISSION	DON(EO) TO INDIONIE INTO	TYPE OF ACTION	· · · · · · · · · · · · · · · · · · ·	
X Notice of Integt		П э (s.		
Notice of Intent	Acidize Deepen	Production (Star		
Subsequent Report	Alter Casing Fracture T	reat Reclamation	Well Integrity	
	Cassing Repair New Cons	truction Recomplete	X Other COMMINGLE	
Final Abandonment Notice	Change Plans Plug and	Abandon Temporarily Aba	OFF-LEASE STORAGE.	
-	Convert to Injection Plug Back	Water Disposal	MEASUREMENT& SALES	
Attach the Bond under which the work will be per following completion of the involved operations. It testing has been completed. Final Abandonment Netermined that the final site is ready for final inspect. As required by 43 CFR 3162.7-2 are approval of off lease measurement liquid hydrocarbons. Also, as resulted in the company requests approval of transported to the Marathon Oil of the Eddy County, NM, by pipeline. Liquid hydrocarbons are gathered. Turbine meters will be used for the approvals. A form is attached with further in the company in the content of the conten	the operation results in a multiple completorices shall be filed only after all required in.) d Onshore Oil and Gas Order, storage & sales, alternat quired by 43 CFR 3162.7-3 a off-lease measurement, commompany Gas Plant which is 1. The general routing of this in a tank and truck hauled he Alternate Method of Meternation regarding this results.	No. 4 Marathon Oil Comments, including reclamation, have No. 4 Marathon Oil Comments are measurement method, and Onshore Oil and Gaingling, and sales of ocated in SW/NE, Sects pipeline is shown of to the Marathon Oil Comming for liquid hydro	cerval, a Form 3160-4 shall be filed once we been completed, and the operator has company is requesting and commingling of a Corder No. 5, Marathon gas. Gas is ion 23, T-21-S, R-23-E, on the attached map. company Gas Plant.	
14. I bereby certify that the foregoing is true and correct Name (Printed Typed)	CUNDITION Toke		erre, warroudd, n.m.	
Ginny Larke Aug	y sarke	Engineer Technician		
		1/18/98		
THI	S SPACE FOR FEDERAL OR ST		100 C P A	
Approved by HONY A HON	PHTRO	LEUM ENGINEER	D== NUV 27 1000	
Conditions of approval, if any, are attached. Approval of certify that the applicant holds legal or equitable tide is which would entitle the applicant to conduct operations thereon.	f this notice does not warrant or Office			

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING OFF LEASE MEASUREMENT. STORAGE AND ALTERNATIVE MEASUREMENT APPROVAL

To: Bureau of Land Management

P.O. Box 1778

Carlsbad, New Mexico 88220-1778

Marathon Oil Company is requesting approval for Surface Commingling, Off Lease Storage & Measurement and Alternative Measurement of hydrocarbon production from the following formation and well(s) on Federal Lease(s) listed below:

INDIAN FEDERAL GAS COM: SECTION 19, T21S, R24E FORMATION: MORROW

				API		
Well		LEASE		Grav		API NO.
No.	UL	NUMBER	BLHCPD	<u>60°F</u>	MCFD	<u>30-015</u>
1	G	LC-063245-A	1	58.1	751	10355
2	J	LC-063245-A	1	58.0	1,203	10971

The proposed operation is described in detail on the attached diagrams. Liquid hydrocarbon production will be measured using turbine meters per prior approvals. These meters are proved on a regular schedule.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the commingling/common storage facility. All unitized/communitized areas and producing zones/pools are also clearly illustrated. Schematic diagrams are also attached which clearly identify all equipment that will be utilized.

The Storage and Measurement facility is located at Marathon's Indian Basin Gas Plant, <u>Unit Letter</u> "G", Section23, T-21-S, R-23-E, Eddy County, New Mexico. The BLM will be notified of any change in facility location.

Details of the proposed method for allocating production to contributing sources are as follows: Gas is measured at the lease using allocation meters. It is then transported to the Indian Basin Gas Plant by pipeline. After processing the gas, it is metered at the tail-gate of the plant and sold. Liquid hydrocarbon production is measured on the lease and then gathered into a storage tank. It is then truck hauled to the Storage and Measurement facility shown above where it is processed and sold through a LACT unit. The produced water is injected into various water disposal wells per prior approvals. All production will be allocated to wells based on monthly well tests and the previously approved methods of lease allocation.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. The proposed commingling is necessary for continued operation of the above referenced Federal Lease.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by lease instrument and we will submit, within 30 days, an application for right-of-way to the BLM's Realty Section in your office, if we have not already done so.

Additional wells require additional commingling approvals.

Signature

Name: Ken Tatarzyn

Title: Indian Basin Asset Team Manager

Date: November 18, 1998

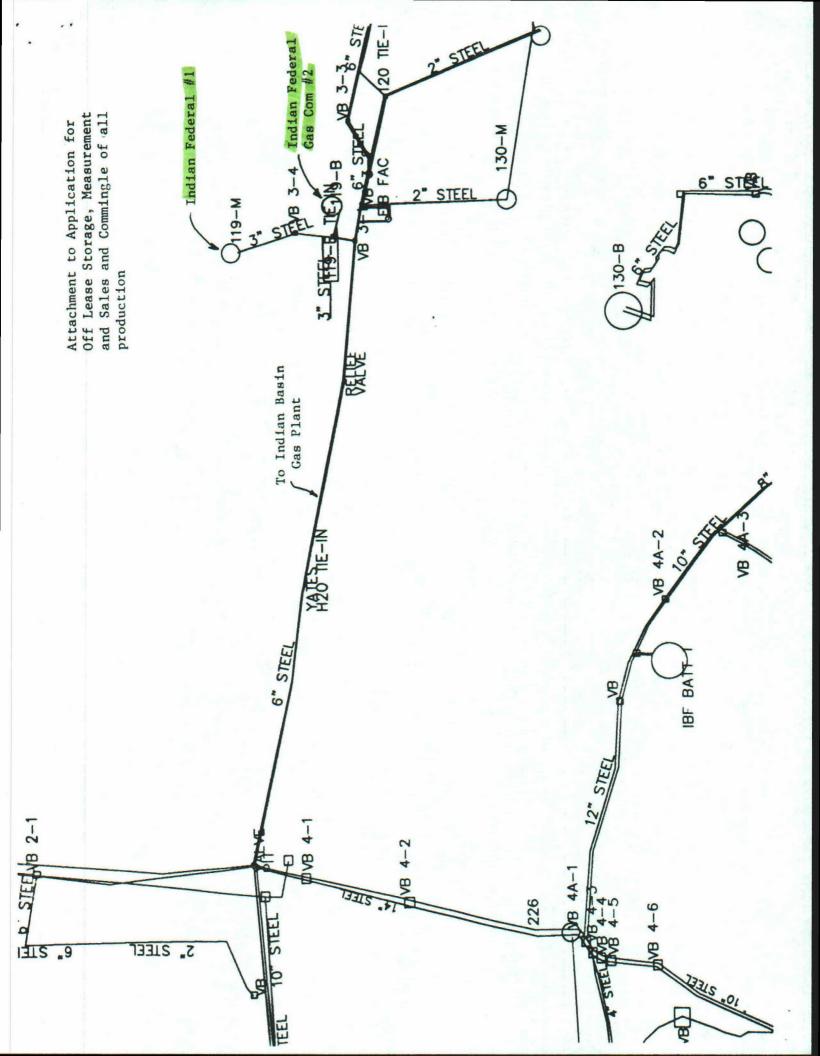
MARATHON OIL COMPANY INDIAN FEDERAL GAS COM. #2 Station No. 119M

UL "J", 1349' FSL; 2025' FEL Sec. 19 T-21S; R-23E EDDY COUNTY, NEW MEXICO SW-290; LC-083245A

0. LABACT

GAS
OIL
WATER
OIL & WATER

0. LANKE\M:\ACADOMOS\ACADLTDMOS\MDFED2.0



24	Super or Mil	36 Hau	or of the second	Graham Roy.	Or Granen Roy. (C. er un Cell)	
. \$		1879 State	२९४७० । उद्योगस्याः स्वर्गस्य स्वर्गस्य स्वर्गस्य स्वर्	31.074 Sae. 24	State Sassen	- +
76 65(3) 344623	Phillips 04027	Phillips	Ciration (KG gs.) "Fed." civ.	Chefren DEG Grehem Roy - Ref HB-3 - 720 '95C - 32-329	(Citation OEG) Graham May.	
HOP	ੈ ਜਵੈਂਹ	± 84627 bone 3	कर मेंगळ जीवन की ह	discovery 5 44 2 mount	A Carrent	- <i>a</i> -
4/930	2		19 80 17++ -	10000°	- + +	
1 数 05400 2 Mil.	Marathan 2 ≥ 8 0 11 € 7806 - 1	Phillips 4 - 1 (5C3) 04827 _	*	O Fosters 3.5 ft. Oroses	Javic Fasten	
11 01 -1 30 Basin Unio"	/680 សភក្ខណៈ មេខង	иви зки / 5377	Shell Fed	Circlian J(A) Eggs Smell 12333 - 334 Fee Descen S 344 7 19	Pass Feg Marram Dist. (9 Mil.)	1-35 # % u
and the same	Stary (Co.4) Morathan	us Narathon	19 30 Upragram prailing 42 24 6 19 66 Carasts par fine 6 19 69 Carasts par fine 6 19 69 Carasts par fine 8 19 69 Carasts par fine 8 19 60 Carasts par fine 8 10 Carasts p	Citation Cad 2 Curnin	35000	Devid €a:
- 16 23111 2/32	H & U	M BU 05698		185 (Cherian Oc.6)	Graham Roy (1903) 180 Kiteman 180 Garrasa Oavia Faguen Tayana	7 344. 1 344. 14 41. 234 ,
BASINGINIT	//O./ 2 39411	1/0/ Yetes Pet, 4764 4,677 2/623	Onilligs Yates Pet. Y Liss B	* Sheril- Fed.*	Manuface Texaco	
18.32 THON (OPER.)	"Ne. Indian Basin"	1642 - 15 - 7 - 7 - 7 - 7 - 7 - 7 - 7 - 7 - 7 -	154 H	Varathen 30 tem 15.	Sing Area 4	***
	Marethen 7 H 8 P 1695	10125 2 2	U.S.	2000年	, Qarid Fasten	9.5.
១១១ ៩១៩ ១១ភូមិ មួនទំនួង	<u>v B</u> asya, a	; /681 ;	72.3 41 Phillips Mongarito 8 15 5 19 66 16 1915 E 10169 1545 State HBU	Tolesa SUS	¥ Szelly-Fed. Swill U.S.	→ • • • • • • • • • • • • • • • • • • •
Marathen	1 1 54 Get 28 Sanhe Fe Ener	Sante fe Ener	42.33 St Ne. Nat. Mansanto	Margifiae Weg fer Description Service Met Met (1/6) Mor old Market Met Hall Description Met	(Marethen E. Marela (2) BM Pet. '2) E "43"	१२ अन्द्रव
1 H&P 2155 1 /681	7 7 7 7 7 7 7	76.519	## *1	South Bur Calmine	One of Pasker in GADO" Market in GADO" Jacon Mile Jacon Market Jacon Mile Jacon	539 #4254
- 1/94!	# 5259 # 19 19 19 19 19 19 19 19 19 19 19 19 19	58 6 9 (39 <mark>6</mark>	19 Ma*1.3es	50 100 100 100 100 100 100 100 100 100 1	Control 1146 Galory Mary	ia turi
Marethan 4 5 P	Ø 3 - Norsehan	Seration Fed	21236 3 242 25 2123 22	(Morothonias) - Common Mill (Decco et al. 100) - To eo ro 064243	ATE Fee to be a second to the second	***
1761	and Indian Basin 244.	VA 9 3 49	LS 2906 C 3 033C445	OS-242 DATE OF THE TOTAL OF THE	Morathon Gream Morates MW Pet '2 Rep MW Pet 1 HBH HBU O	24
Marathen In Artys)	U.S. Marethon M.W.Pet, stell	U S Marethan	2 - 37gr - U.S.	74 27 41 40 55 1 ALS - 3137 84 .	Morather 1981	131 143 ₂
254-2 Parasa ta	0384628 HBP (MW Pet) 1 2254424	→BP 2151628	Tan Salar Trends	DEWARD OF STATE (Page 中央) Trass state (Page 中央) MARATHON	(Marais etal.)	- 10180-
99 11411	91 236 Marrie 34 /336 1 249 Registres	r tropicki Minuko et er	To be be	L , INDIAN	1281	7 93 54:50
22 "" L		Sincian Marather Sincian Sincian Marather Sincia Memman Jiliga Sincian Felica Section 52.55		70 HILLS	UNIT 21 1 1 2 1 2 2 3 1	179000 179000 179000
12 ml Born Fed."	MW Pet.	Marala Marathan & A.R. Co.	Marie Service	'Indian Hills Limit'	(21 5 mag) Fr 12 17 mg	
170	William on U.S.	/802 stell Serton +	17-4 ALM USH 11-10	Differib Magnifers 18.	Manathan Marry	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
forathen //S	(Moramon) MW Pet: C7517	(G A Chase)	Kerr Moßer Kerricht Gee 1887 - Ozagon Tig gladen Ganza Gegan K	Service Has 137	100 A 103	7 7
2774 27	O € C-Mil	77.4 vs?	Wills STARL	6108*1	1264	
27	´ 26	MOL 25.	र क्षा क्षा क्षा क्षा क्षा क्षा क्षा क्षा	A1952	28	Ya
- impl		(Merethen)	Tope to a strong street	indion white the States	47.76 333462	2
JION BOSIN	indiar flair *	nsion Basin" U.S.	U.S Oree.	ALC: N	Indian H 19 Unit 19 Un	
- U: (ag/g+gl) (w Pgt.) (34446	Wern R Triggs MW Pet . 36363	Oryx Figure		Glacian (SE) etc. (Sector MSP) v 992	Morothon Jan Pel Hall Street Pel Hall Hall Hall Hall Hall Hall Hall Ha	
darathen d dùù	Sev mg	Horsestol Loug-9	DATE IF 62	(Limato, 14)	दिश्व क्षेत्रम क्षेत्रम क्षेत्रमा १८६७	
34	35		Kerr McGee St. Delta Ret	Citation 066, 32	The states \$ Tree description	1
3		K-1804 1	Tivington 2/	69 (18 G) (2 19 G) (2 19 G) (18 G) (2	द्रश्य क्रिकेट - वीदश्य विकास । Gun Indian Hills Unit	Simon of
Jan Besin*	Fes US	Sug State	Delta Ber Fledering	*18-59 ** State		<u> </u>
on MW Art.	Oryx On	Musseiman 78 Oven Eung Oper	# SC (15: 22 15: 72 21:33 # 0 (8:11 Farm stat 45%) ************************************	10 19 119 27 3 50 - 2519 86 - Southe Fe Every 100 45 4 1 54	12 39 4'32.57 2'32.56 2'32.55 Service Fe Ener. 11-35 27.5 11-35 10-35 10-35 10-35 10-35	ig war after
	1,50	028:033	10:11		Atlantic Rich. Wall Conyon	•
Tomb 17	2	91.3 5.1	6 7/4 -3 31	5 10m 5 10m	Unit 4	
S'd of Tex Bogie Flat Unit	1 2 5 7	Ø;	1	77 800		
	273 (122)	"Smith; Fed"	Te et # // "Indian Basin-Fed."	. ئى ن	μs .	
Chevron	, State	u.s.	Still Bill Fenn	Sards fo Ever	Yates Pet.	<u></u>
845273	MTW Pet. 0151000	MW Pet. HBC 025-039 J 0395448	# \$1219 200. 370E	ध्यारे हैं	12 - 1 - 93 76214 10 99	350
[O ⊙ 4€ NH1 1-40	C SZ LOW POOR & MORAL FOR	SANDI LISA, Smith 12	, , , , , , , , , , , , , , , , , , , ,	SantaFeEsec :	9	
		Gos Unit	uai (4 95 63552		"

Bureau of Land Management Roswell District 2909 West Second Street Roswell, New Mexico 88201 505-627-0272

Off-Lease Measurement, Storage, and Surface Commingling Conditions of Approval

Approval of surface commingling and off-lease storage and/or measurement is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in sales method or location of the facility.
- 2. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 4. This approval is subject to like approval by the New Mexico Oil Conservation Division.
- 5. Additional wells and/or leases require additional commingling approvals.
- 6. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.

Form 3160-5 (November 1994)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED				
Budget Bureau No.	1004-0135			
Expires November 30 2000				

DATED 11/18/98

5. Lease Serial No.

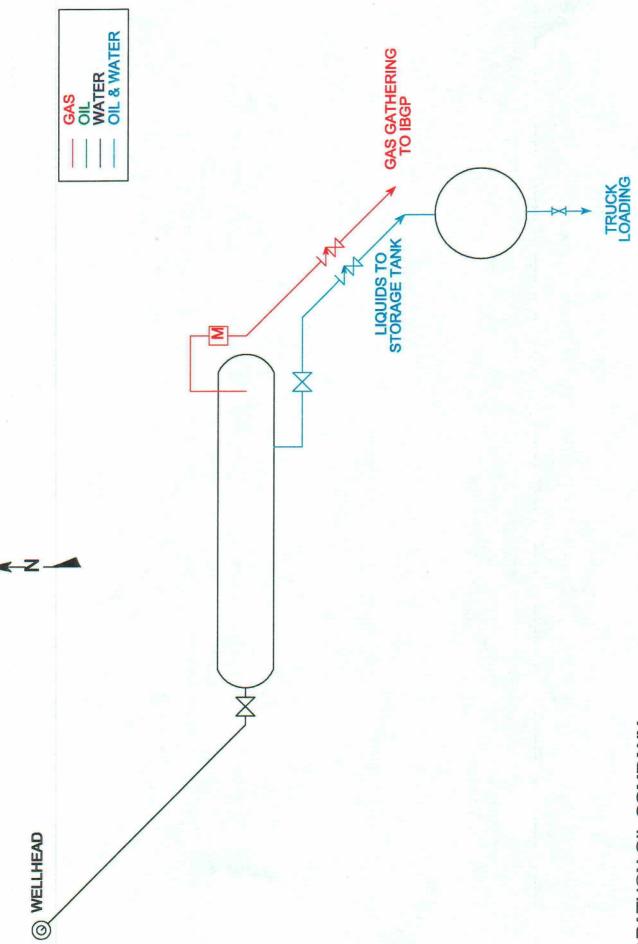
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an			LC - 063245 - A 6 If Indian, Allottee or Tribe Name		
abandoned well. Use Fo				I matai, raioi	toe or Troc (valie
SUBMIT IN TRIPLICATE - Other instructions on reverse side			7. If Unit or CA/Agreement, Name and/or No. SW-290		
1. Type of Well Oil X Gas Well Other		·····		8. Well Name and	
2. Name of Operator Marathon Oil Company				COM #1	
3a. Address P.O. Box 552 Midland, TX 79702		3b. Phone No. (<i>include area o</i> 915 - 682 - 1626	ode)	9. API Well No. 30-015-1035	
4. Location of Well (Footage, Sec., T., R., M., or Survey Descript UL "G", 1980' FNL & 1980' FEL	tion)	1910-002-1020		INDIAN BASI	I, or Exploratory Area N MORROW
SECTION 19, T-21-S, R-24-E				11. County or Par	ish, State
12. CHECK APPROPRIA	ATE BOX(ES) TO I	NDICATE NATURE OF NO	OTICE, REPOR		
TYPE OF SUBMISSION		TYI	PE OF ACTION		
Notice of Intent	Acidize	Deepen	Production	n (Start/Resume)	Water Shut-Off
X Subsequent Report	Alter Casing Casing Repair	Fracture Treat New Construction	Reclamati Recomple		Well Integrity Other <u>CORRECTION</u>
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporari	ily Abandon -	TO COMMINGLE APP.
	Convert to Inject	ion Plug Back	Water Dis	posal _I	OATED 11/10/00

Describe Proposed or Commpleted Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all performed and zones.

Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

On 11/18/98 I sent form 3160-5 requesting approval for off lease measurement, storage & sales, alternate measurement method, and commingling of the gas and liquid hydrocarbons from the lease shown above. There was an error in the manner of measuring liquid hydrocarbons. The production from this well goes into a 2-phase separator. The gas is metered and sent to the Indian Basin Gas Plant via pipeline as previously shown. The liquids, both water and liquid hydrocarbons, are sent to a storage tank on location where they are gauged and "color cut" and the strapping chart for the tank is used to calculate the daily production. The liquids are then truck hauled to the Indian Basin Gas Plant for further separation. The liquid hydrocarbons, after further processing, are sold through a LACT meter. After separation, the water is pumped into various water disposal wells per prior approvals. A corrected drawing of the facility is attached.

14. I hereby certify that the foregoing is true and correct Name (Printed Typed) Ginny Larke Linny Larke	Title Engineer Technician	
	Date 12/18/98	
THIS SPACE FOR FEDER	AL OR STATE OFFICE USE	
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warran certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.	nt or Office	



MARATHON OIL COMPANY INDIAN FEDERAL GAS COMM. #1 Station No. 119M

1980' FNL; 1980' FEL Sec. 19 T-21S; R-23E EDDY COUNTY, NEW MEXICO SW-290; LC-063245A

G. LARKE\M:\ACADDWGS\ACADLTDWGS\INDFED1.DWG 12/18/98

Torm 3160-5 (November 1994)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED Budget Bureau No. 1004-0135 Expires November 30 2000

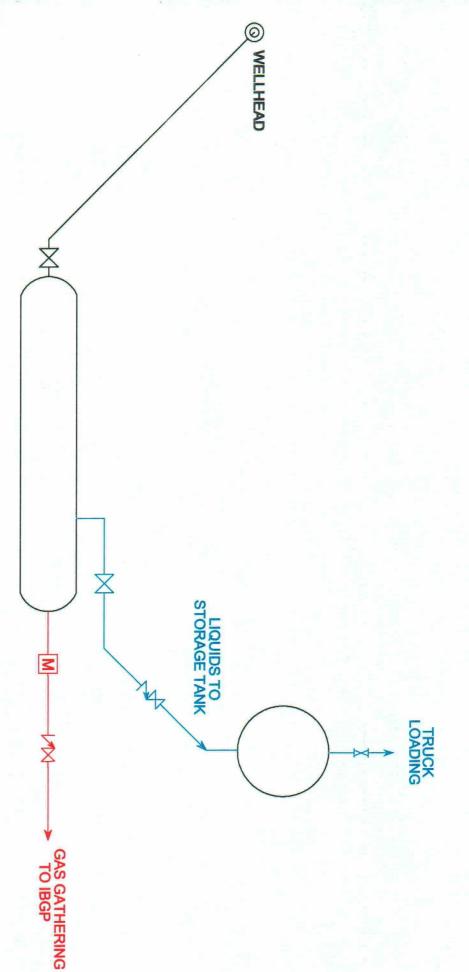
. .	Lease	Serial	No

 <u> </u>	6324	<u> 15 ∙ A</u>

SUBMIT IN TRIPLICATE - Oth 1. Type of Well Oil X Gas Other 2. Name of Operator Marathon Oil Company 3a. Address P.O. Box 552 Midland, TX 79702 4. Location of Well (Footage, Sec. T. R. M., or Survey Description) UL "J", 1349' FSL & 2025' FEL SECTION 19, T-21-S, R-24-E TYPE OF SUBMISSION	3b. Phone No. (include area code) 915-682-1626 X(ES) TO INDICATE NATURE OF NOTICE TYPE OF	7. If Unit or CA/Agreement, Name and/or N SW-290 8. Well Name and No. INDIAN FEDERAL GAS COM #2 9. API Well No. 30-015-10971 10. Field and Pool, or Exploratory Area INDIAN BASIN MORROW 11. County or Parish, State EDDY NM 13. REPORT, OR OTHER DATA
Oil X Gas Well Other 2. Name of Operator Marathon Oil Company 3a. Address P.O. Box 552 Midland, TX 79702 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL "J", 1349' FSL & 2025' FEL SECTION 19, T-21-S, R-24-E 12. CHECK APPROPRIATE E	915-682-1626 X(ES) TO INDICATE NATURE OF NOTICE TYPE OF	INDIAN FEDERAL GAS COM #2 9. API Well No. 30-015-10971 10. Field and Pool, or Exploratory Area INDIAN BASIN MORROW 11. County or Parish, State EDDY NM 5. REPORT, OR OTHER DATA
3a. Address P.O. Box 552 Midland, TX 79702 4. Location of Well (Footage, Sec., T. R., M., or Survey Description) UL "J", 1349' FSL & 2025' FEL SECTION 19, T-21-S, R-24-E 12. CHECK APPROPRIATE E	915-682-1626 X(ES) TO INDICATE NATURE OF NOTICE TYPE OF	9. API Well No. 30-015-10971 10. Field and Pool, or Exploratory Area INDIAN BASIN MORROW 11. County or Parish, State EDDY NM E, REPORT, OR OTHER DATA
P.O. Box 552 Midland, TX 79702 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL "J", 1349' FSL & 2025' FEL SECTION 19, T-21-S, R-24-E 12. CHECK APPROPRIATE E	915-682-1626 X(ES) TO INDICATE NATURE OF NOTICE TYPE OF	30-015-10971 10. Field and Pool, or Exploratory Area INDIAN BASIN MORROW 11. County or Parish, State EDDY NM E, REPORT, OR OTHER DATA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL "J", 1349' FSL & 2025' FEL SECTION 19, T-21-S, R-24-E 12. CHECK APPROPRIATE E	X(ES) TO INDICATE NATURE OF NOTICE TYPE OF	10. Field and Pool, or Exploratory Area INDIAN BASIN MORROW 11. County or Parish, State EDDY NM E, REPORT, OR OTHER DATA
UL "J", 1349' FSL & 2025' FEL SECTION 19, T-21-S, R-24-E	TYPE OF	INDIAN BASIN MORROW 11. County or Parish, State EDDY NM E, REPORT, OR OTHER DATA
SECTION 19, T-21-S, R-24-E 12. CHECK APPROPRIATE E	TYPE OF	EDDY NM
	TYPE OF	REPORT, OR OTHER DATA
	TYPE OF	
TYPE OF SUBMISSION		ACTION
		· · · · · · · · · · · · · · · · · · ·
Notice of Intent X Subsequent Report Final Abandonment Notice Final Abandonment Notice Final Abandonment Notice Baseline Proposed or Coommpleted Operation (clearly stat If the proposal is to deepen directionally or recomplete he Attach the Bond under which the work will be performer following completion of the involved operations. If the otesting has been completed. Final Abandonment Notices determined that the final site is ready for final inspection.) On 11/18/98 I sent form 3160-5 request measurement method, and commingling of was an error in the manner of measuri 2-phase separator. The gas is metered shown. The liquids, both water and 1 they are gauged and "color cut" and they are gauged and "color cut" and they are gauged into various water diffacility is attached.	contally, give subsurface locations and measured au rprovide the Bond No. on file with BLM/BIA. I ation results in a multiple completion or recomple all be filed only after all requirements, including the gas and liquid hydrocarbons gliquid hydrocarbons. The product and sent to the Indian Basin Gas at strapping chart for the tank is a strapping chart for the tank is a hauled to the Indian Basin Gas cessing, are sold through a LACT	nd true vertical depths of all pertinent markers and zor Required subsequent reports shall be filed within 30 d ion in a new interval, a Form 3160-4 shall be filed or reclamation, have been completed, and the operator rement, storage & sales, alternate from the lease shown above. There action from this well goes into a seplant via pipeline as previously storage tank on location where is used to calculate the daily plant for further separation. The meter. After separation, the

Ginny Larke Linny Larke	Engineer Technician Date 12/18/98				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE					
Approved by	Title	Date			
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lear which would entitle the applicant to conduct operations thereon.	or Office	1			





MARATHON OIL COMPANY
INDIAN FEDERAL GAS COM. #2
Station No. 119M

UL "J", 1349' FSL; 2025' FEL Sec. 19 T-21S; R-23E EDDY COUNTY, NEW MEXICO SW-290; LC-063245A

GAS OIL WATER OIL & WATER

G. LARKE\M:\ACADDWGS\ACADLTDWGS\INDFED2.DW 12/18/98