



State of New Mexico
Commissioner of Public Lands

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

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June 5, 1996

Marathon Oil Company
Post Office Box 552
Midland, Texas 79702-0552

Attn: Mr. Thomas M. Price

Re: Application for Surface Commingling and Off Lease Storage
North Indian Basin Unit, Stinking Draw, Bone Flats Federal 12,
MOC Federal & North Indian Basin Com
South Dagger Draw Field
Eddy County, New Mexico

Dear Mr. Price:

Your application, received May 23, 1996 requests our approval to add the following two Indian Basin Upper Penn wells to the above referenced commingling application: the Comanche Federal "3" #1 and the N. Indian Basin Unit Gas Com #3.

We understand that these two wells will be added to your original application which was approved by this office on September 26, 1994, and by the OCD by their Order No. CTB 397.

Since it appears that there will be no loss of revenue to the State of New Mexico's beneficiaries from your proposed operation, the Commissioner of Public Lands hereby grants approval to your request. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval should this operation prove to be unprofitable to the state at any time in the future. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Your \$30.00 filing fee has been received.

Marathon Oil Company
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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: 

LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/pm

cc: Reader File
OCD-Santa Fe Attn: Mr. David Catanach, Mr. Ben Stone
North Indian Basin Unit