



April 27, 1999

Engineering Department  
State of New Mexico  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

RE: Commingling Order PLC-152  
1<sup>st</sup> Amendment

I have reviewed the amended copy of the above order. The amended order should include the three pools as set forth in the original Commingling Order PLC-152 dated February 8, 1999, and **add** the additional Red Tank-Bone Spring (51683) Pool.

The March 31, 1999 request for the Prohibition Federal Unit, Well #3 to be placed in the Red Tank-Bone Spring Pool reflected the recent Hobbs OCD district office decision for that well only. The Red Tank-Bone Spring (51683) Pool was another pool to be added to the referenced commingling order. It did not replace the West Red Tank-Delaware (51689) pool.

Please accept my apology if the request was not clearly stated. Should you have any questions, please do not hesitate to call Dorothea Logan at (915) 684-7441.

Sincerely,

A handwritten signature in cursive script that reads "Dorothea Logan".

Dorothea Logan  
Regulatory Analyst  
Maralo, LLC

C:\MyFiles\NM AMEND COMMINGLING ORDER.1.wpd

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division  
1625 N. French Dr.  
Hobbs, NM 88240

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NM-85937, NM-64606, NM-85933

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NMM-84611B, NMM-85327

8. Well Name and No.

SEE ATTACHED

9. API Well No.

SEE ATTACHED

10. Field and Pool, or Exploratory Area

SEE ATTACHED

11. County or Parish, State

LEA COUNTY, NEW MEXICO

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

**TYPE OF SUBMISSION**

**TYPE OF ACTION**

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other **OFF LEASE MEASUREMENT,  
STORAGE & SURFACE**

**COMMINGLING**

13. Describe Proposed or Completed 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 recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers 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 recompleat 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 site is ready for final inspection.)

PLEASE SEE ATTACHED APPLICATION FORMAT WITH ACCOMPANYING SCHEMATICS AND MAP FOR SURFACE COMMINGLING, OFF LEASE STORAGE AND MEASUREMENT APPROVAL.

SEP 11 2000

RESERVATION DIVISION

APPROVED  
PETER W. CHESTER

SEP 1 2000

BUREAU OF LAND MANAGEMENT  
ROSWELL RESOURCE AREA

2000 AUG 21 P 3 09

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

DOROTHEA LOGAN

Title REGULATORY ANALYST

Signature

*Dorothea Logan*

Date AUGUST 18, 2000

**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 or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 STORAGE AND MEASUREMENT APPROVAL

This Format Should Be Attached To A Sundry Notice

To: Bureau of Land Management  
P. O. Box 1778  
Carlsbad, New Mexico 88221-1778

MARALO, LLC (Operator's Name) is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NM-85937, NM-64606 ; Lease Name: PROHIBITION FEDERAL UNIT

	<u>Well</u> <u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>Le. NM85937</u>	<u>1</u>	<u>1980' FNL &amp; 660' FNL</u>	<u>12</u>	<u>22S</u>	<u>32E</u>	<u>BOOTLEG RIDGE; DELAWARE, NM</u>
<u>Le. NM64606</u>	<u>3</u>	<u>1980' FNL &amp; 990' FEL</u>	<u>12</u>	<u>22S</u>	<u>32E</u>	<u>RED TANK; BONE SPRING</u>
<u>LA NM85937</u>	<u>4</u>	<u>2310' FNL &amp; 1980' FEL</u>	<u>14</u>	<u>22S</u>	<u>32E</u>	<u>RED TANK; DELAWARE, W.</u>
<u>LA NM846HB</u>	<u>6</u>	<u>2310' FNL &amp; 990' FEL</u>	<u>14</u>	<u>22S</u>	<u>32E</u>	<u>RED TANK; DELAWARE, W.</u>

with hydrocarbon production from the following formation(s) and well(s) on Federal lease No. NM-85933 ; Lease Name: BILBREY "34" FEDERAL  
CA #NM85327

	<u>Well</u> <u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
	<u>1</u>	<u>1980' FNL &amp; 660' FNL</u>	<u>34</u>	<u>21S</u>	<u>32E</u>	<u>BILBREY; MORROW</u>
	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

Production from the wells involved is as follows:

<u>API NO.</u>	<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
<u>30-025-31137</u>	<u>PROHIBITION FED UT #1</u>	<u>10</u>	<u>40.9</u>	<u>12</u>
<u>30-025-32142</u>	<u>PROHIBITION FED UT #3</u>	<u>7</u>	<u>40.0</u>	<u>22</u>
<u>30-025-32758</u>	<u>PROHIBITION FED UT #4</u>	<u>8</u>	<u>40.6</u>	<u>13</u>
<u>30-025-32760</u>	<u>PROHIBITION FED UT #6</u>	<u>12</u>	<u>40.6</u>	<u>29</u>
<u>30-025-31120</u>	<u>BILBREY "34" FED #1</u>	<u>0</u>	<u>-0-</u>	<u>59</u>

Continued ...

Continued:

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

PROHIBITION FED UT #4

The storage and measuring facility is located at SW4 NE-1/4, Sec. 14, T. 22 S, R. 32 E, on lease No. NM-85937, LEA County, New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources is as follows:

PRODUCTION FROM EACH LEASE IS SEPARATELY METERED PRIOR TO COMMINGLING IN ACCORDANCE WITH BLM APPLICABLE PROVISIONS.

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The working interest owners have been notified of the proposal.

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 leases.

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

Signature: 

Name: DOROTHEA LOGAN

Title: REGULATORY ANALYST

Date: AUGUST 17, 2000

# PROHIBITION FEDERAL UNIT BATTERY (LOCATED AT WELL #4)

SW/4 NE/4 SECTION 14, T-22-S - R-32-E 2310' FNL & 1980' FEL

## PROHIBITION FEDERAL UNIT #6

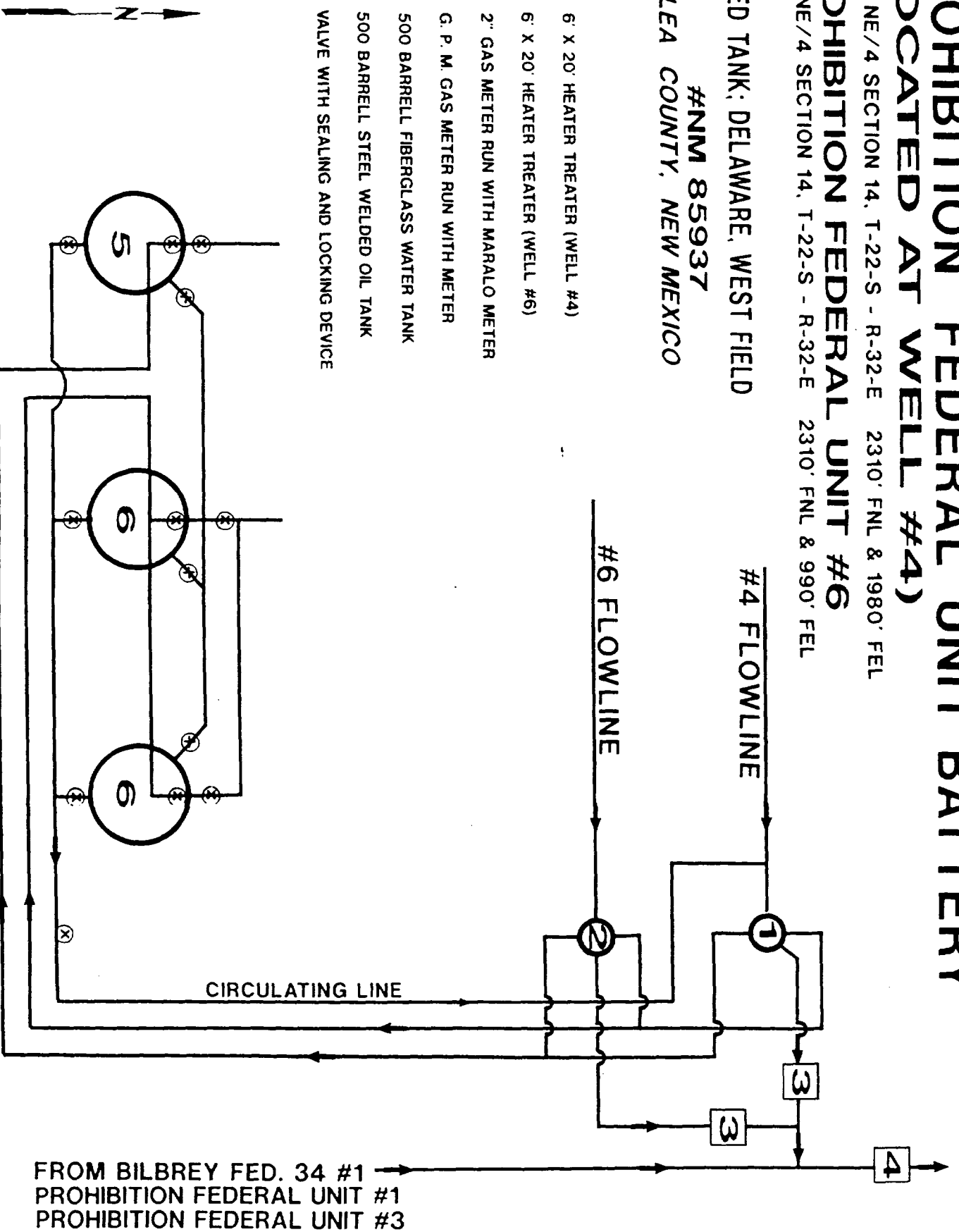
SE/4 NE/4 SECTION 14, T-22-S - R-32-E 2310' FNL & 990' FEL

RED TANK: DELAWARE, WEST FIELD

#NM 85937

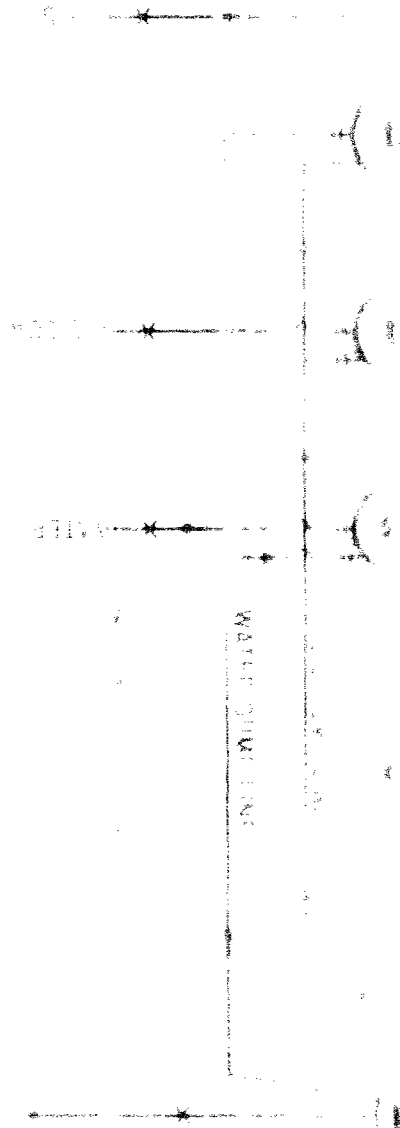
LEA COUNTY, NEW MEXICO

1. 6' X 20' HEATER TREATER (WELL #4)
2. 6' X 20' HEATER TREATER (WELL #6)
3. 2" GAS METER RUN WITH MARALO METER
4. G. P. M. GAS METER RUN WITH METER
5. 500 BARRELL FIBERGLASS WATER TANK
6. 500 BARRELL STEEL WELDED OIL TANK
- (X) VALVE WITH SEALING AND LOCKING DEVICE



FROM BILBREY FED. 34 #1  
PROHIBITION FEDERAL UNIT #1  
PROHIBITION FEDERAL UNIT #3

1000



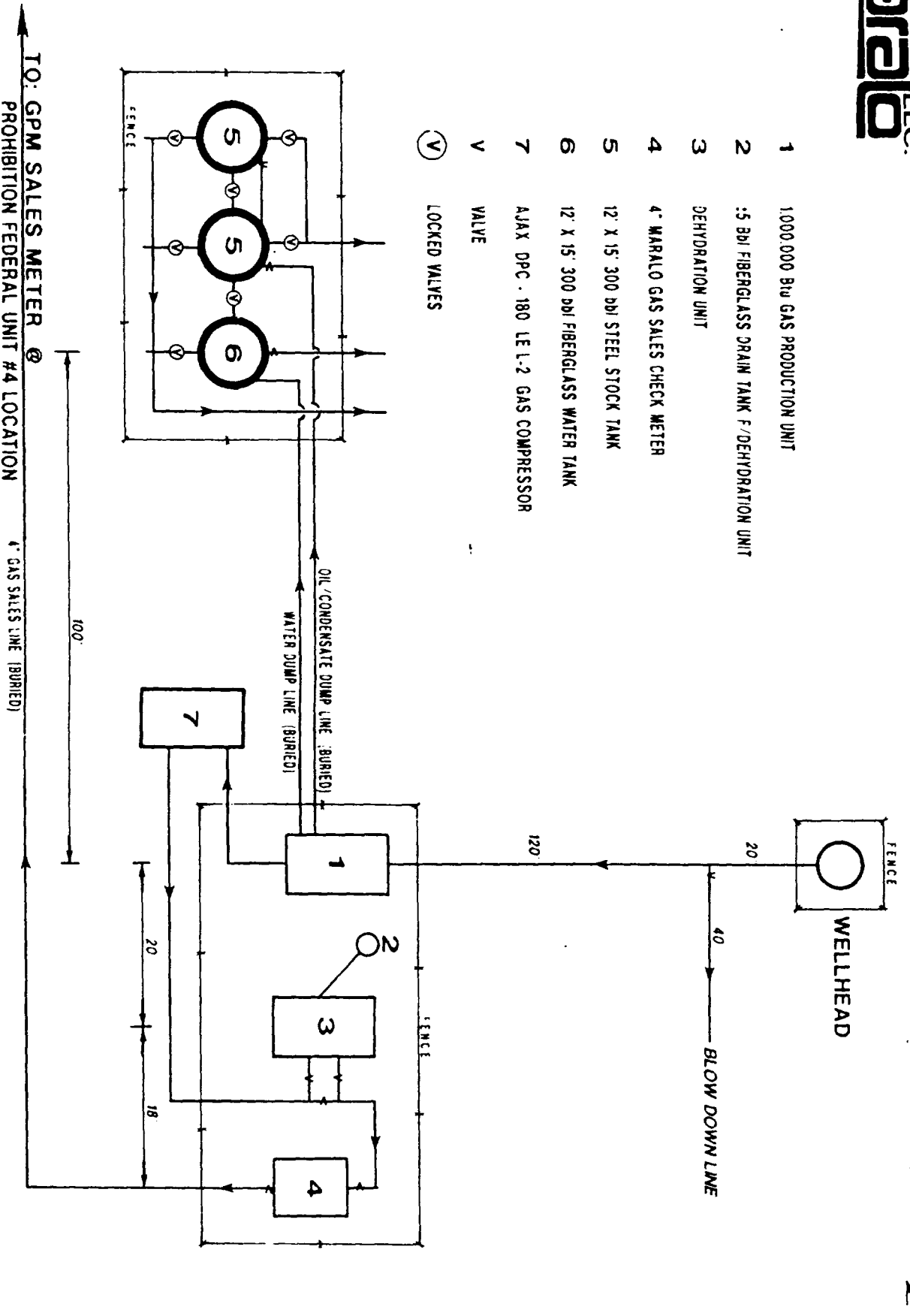
COUNTY  
SECTION 12 T-2  
R-8

NM#85

FOOT EG RIDGE DEL

INHIBITION FEI

- 1 1,000,000 Btu GAS PRODUCTION UNIT
- 2 15 DBI FIBERGLASS DRAIN TANK F/DEHYDRATION UNIT
- 3 DEHYDRATION UNIT
- 4 MARALO GAS SALES CHECK METER
- 5 12' X 15' 300 DBI STEEL STOCK TANK
- 6 12' X 15' 300 DBI FIBERGLASS WATER TANK
- 7 AJAX DPC - 180 LE L-2 GAS COMPRESSOR
- V VALVE
- (V) LOCKED VALVES



**BILBREY 34 FED. #1**

**BILBREY (MORROW) FIELD  
LEA COUNTY, NEW MEXICO**

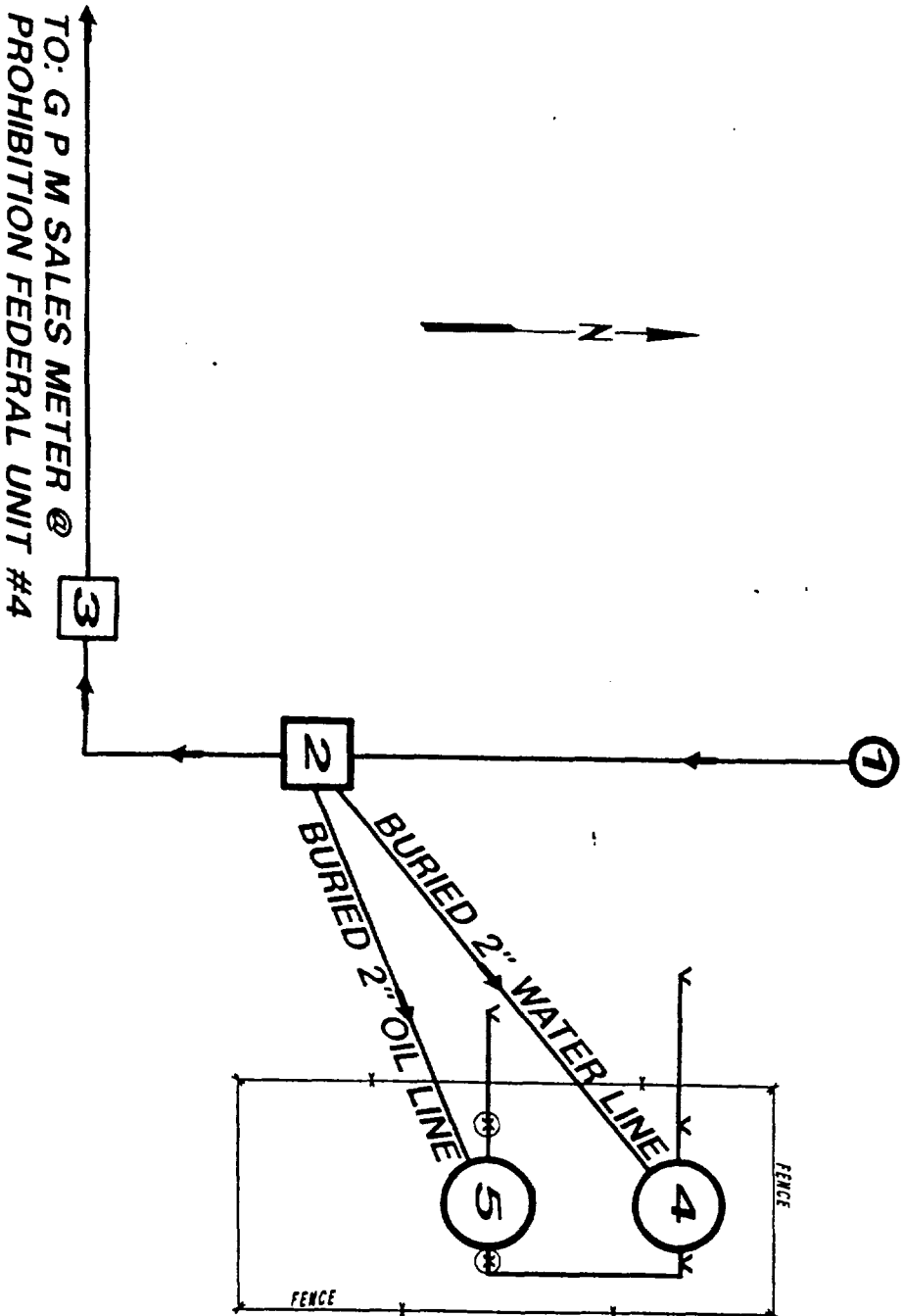
**NM #89593 85937**  
SECTION 34 - T-21-S-R-32-E  
660 FNL & 1980 FWL

# PROHIBITION FEDERAL UNIT #3

NM#64606

1980' FNL & 990' FEL, SECTION 12, T-22-S - R-32-E

*RED TANK: BONE SPRING*  
LEA COUNTY, NEW MEXICO



1. WELLHEAD
2. GAS PRODUCTION UNIT
3. METER RUN
4. 210 BARREL FIBERGLASS WATER TANK
5. 300 BARREL STEEL OIL TANK
6. VALVE
7. VALVE WITH LOCKOUT DEVICE

**maeda** LLC

NOT TO SCALE

JAN.. 1999



