



MARATHON OIL COMPANY

April 21, 1964

P. O. Box 220
Hobbs, New Mexico

*Amended
PC-136*

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Dear Sir:

Reference is made to Administrative Order PC-136 dated April 19, 1963 wherein authorization was granted Marathon Oil Company to commingle production from the Vacuum Devonian, Vacuum Wolfcamp, North Vacuum Abo, Vacuum Blinebry and Vacuum Gtorieta Pools on the State McCallister lease comprising the SW/4 of Section 25, T.17S, R.34E, Lea County, New Mexico.

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MAIL OFFICE 006

Commingling was to be permitted after separately metering the production from each of the above pools. State McCallister, Well No. 7 was non-productive in the Devonian section resulting in only one producing well from the Devonian formation on the subject lease. This well was State McCallister, Well No. 5. The Devonian zone in Well No. 5 started to produce excess water shortly after completion resulting in a rapid decline of oil production. The well was then put on artificial lift and the oil production has since declined to a point where it is no longer economic to produce.

Marathon Oil Company has two North Vacuum Abo wells and two Vacuum Wolfcamp wells on the subject lease. The production on these wells has declined, since initial completion, until they will no longer produce at top allowable. In that the spacing for the Vacuum Devonian, Vacuum Wolfcamp, and North Vacuum Abo is 80 acres there is no possible future development for these three zones on this lease.

On the basis of the above information, Marathon respectfully requests Administrative Order PC-136 be amended to permit the commingling of the Wolfcamp and Abo zones through a common heater-treater with the production being allocated by individual well tests. The Blinebry and Gtorieta zones will be separately metered and the Wolfcamp and Abo zones production determined by the subtraction method.


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Attached hereto is a plat of the revised proposed commingling battery on the State McCallister lease. Marathon Oil Company owns 100 percent working interest in the subject lease.

Yours very truly,

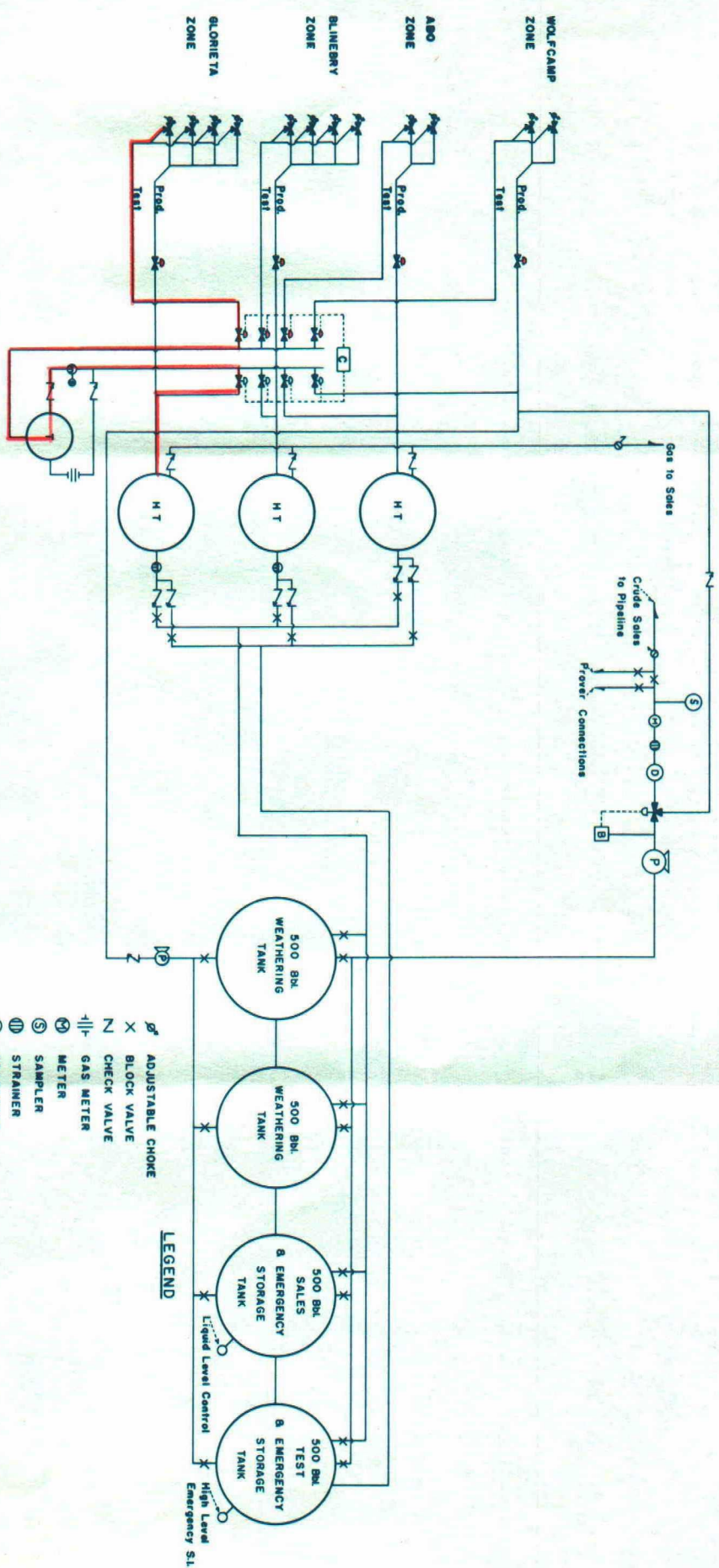
MARATHON OIL COMPANY
Engineering Department


John R. Barber
Area Petroleum Engineer

JRB:bje

cc: NMOCC - Hobbs
File

MARATHON OIL COMPANY
PROPOSED COMMINGLING AND AUTOMATIC CUSTODY TRANSFER BATTERY
ST McCALLISTER LEASE
LEA COUNTY, NEW MEXICO
SCALE: NONE
4-14-64



NOTE: RED LINE INDICATES PATH FOLLOWED FROM A
 GLORIETA ZONE WELL WHILE ON TEST.

- LEGEND**
- ⌘ ADJUSTABLE CHOKE
 - X BLOCK VALVE
 - ⌘ CHECK VALVE
 - ⌘ GAS METER
 - ⌘ METER
 - ⌘ SAMPLER
 - ⌘ STRAINER
 - ⌘ DEAERATOR
 - ⌘ BACK PRESSURE VALVE
 - ⌘ PUMP
 - ⌘ 3 WAY VALVE (Manual)
 - ⌘ 2 WAY VALVE, NORMALLY CLOSED (Electrically Controlled, Pneumatically Operated)
 - ⌘ EMERGENCY S.I. VALVE
 - ⌘ CONTROL PANEL (Electrically Controlled) Designed to permit the opening of only one respective set of valves at a time.)
 - ⌘ B.S.W. MONITOR
 - ⌘ BAD OIL REROUTE VALVE w/VISUAL INDICATOR
 - ⌘ TEST SEPARATOR
 - ⌘ HEATER TREATER