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August 1, 1989

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AUG 1 1989

HAND-DELIVERED

OIL CONSERVATION DIVISION

Mr. William J. LeMay
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 9733

Re: Marathon Oil Company's Application
for Downhole Commingling of Production
in Certain Basin Dakota and Mesaverde
Well, Rio Arriba County, New Mexico

Dear Mr. LeMay:

On behalf of Marathon Oil Company, please find enclosed our application for hearing to be held on August 23, 1989 for authority to downhole commingling production in the wells setforth on the enclosed application.

By copy of this letter to offsetting operators, we are advising them of our application and their right to appear at the hearing if they desire.

Very truly yours,



W. Thomas Kellahin

WTK/rs
Encl.

cc: Brent Lowrey - Marathon Oil Company
Larry Garcia - Marathon Oil Company

"Certified Mail, Return-Receipt Requested"
All parties shown in application.

RECEIVED

AUG 1 1989

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
MARATHON OIL COMPANY FOR APPROVAL
TO DOWNHOLE COMMINGLE PRODUCTION IN
THE BLANCO MESAVERDE AND BASIN DAKOTA
IN CERTAIN WELLS, RIO ARRIBA COUNTY,
NEW MEXICO.

CASE NO. 9733

A P P L I C A T I O N

COMES NOW MARATHON OIL COMPANY, by and through its attorneys Kellahin, Kellahin & Aubrey and applies to the New Mexico Oil Conservation Division for authority to downhole commingle production from the Blanco Mesaverde pool with the Basin Dakota pool in the following described wells:

Well No. 8E 1685' FSL, 1685' FWL, S/2 Section 27, T26N, R5W
Perforated Intervals:
Basin Dakota: 7250' - 7490'
Blanco Mesaverde: 5250' - 5274'

Well No. 9E 1040' FSL, 1685' FEL, E/2 Section 28, T26N, R5W
Perforated Intervals:
Basin Dakota: 7234' - 7466'
Blanco Mesaverde: 5232' - 5336'

Well No. 13E 1850' FNL, 930' FWL, W/2 Section 33, T26N, R5W
Perforated Intervals:
Basin Dakota: 7100' - 7195'
Blanco Mesaverde: 5126' - 5150'

Well No. 14E 1850' FNL, 1685' FWL, W/2 Section 34, T26N, R5W
Perforated Intervals:
Basin Dakota: 7100' - 7332'
Blanco Mesaverde: 4950' - 5241'

Well No. 16E 825' FNL, 955' FEL, E/2 Section 34, T26N, R5W
Perforated Intervals:
Basin Dakota: 7200' - 7430'
Blanco Mesaverde: 5148' - 5278'

Well No. 8 990' FSL, 990' FEL, N/2 Section 27, T26N, R5W

Well No. 9 990' FNL, 1100' FEL, E/2 Section 28, T26N, R5W

Well No. 10E 1040' FNL, 1685' FWL, N/2 Section 27, T26N, R5W

Well No. 11E 955' FNL, 1685' FWL, W/2 Section 28, T26N, R5W

Well No. 12 800' FNL, 800' FEL, E/2 Section 33, T26N, R5W

Well No. 16 1600' FSL, 900' FEL, E/2 Section 34, T26N, R5W

1. Applicant is the operator of the above described wells.
2. By copy of this application to all offsetting operators as setforth on Exhibit (1), Applicant has notified said operators in accordance with Division Notice Rules of the hearing on this matter on August 23, 1989.

WHEREFORE, Applicant requests that this matter be set for hearing and after hearing, the application be granted as requested.

Kellahin, Kellahin & Aubrey

By: 
W. Thomas Kellahin

Post Office Box 2265
Santa Fe, New Mexico 87504

(505) 982-4285

TABLE II
OFFSET OPERATORS
JICARILLA APACHE LEASE
Sections 27, 28, 33, 34, T26N, R5W
RIO ARriba COUNTY, NEW MEXICO

Amoco Production Company
2325 E. 30th Street
Farmington, New Mexico

Union Texas Petroleum
375 U.S. Highway 64, NBU 3004
Farmington, New Mexico 87401

Conoco Inc.
P. O. Box 1959
Midland, Texas 79702

Southern-Union Exploration
324 Highway 64, NBU 3001
Farmington, New Mexico 87401

Meridian Oil Inc.
P. O. Box 4289
Farmington, New Mexico 87499

Exhibit (1)