

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPlicate
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-100
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. ☐ OIL WELL ☐ GAS WELL ☐ OTHER Application for Lease Commingling		RECEIVED MAR 03 '89	
2. NAME OF OPERATOR Marathon Oil Company		8. FARM OR LEASE NAME Johnson "B" Federal	
3. ADDRESS OF OPERATOR P. O. Box 552, Midland, Texas 79702		9. WELL NO. 4	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface The lease battery is located at Johnson "B" Federal No. 4, which is 1980' FSL & 1980' FWL.		10. FIELD AND POOL, OR WILDCAT Tamano (Bone Spring)	
14. PERMIT NO.		15. ELEVATIONS (Show whether DF, RT, GR, etc.)	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 11, T.18S, R.31E		12. COUNTY OR PARISH Eddy	
13. STATE New Mexico			

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Marathon Oil Company has requested that the State of New Mexico Oil Conservation Division grant administrative approval for lease commingling of the Johnson "B" Federal Lease, Section 11, T.18S, R.31E, Eddy County, N.M. (LC-029388 (D)) with the Marathon Shugart "B" Lease, Section 11, T.18S, R.31E, Eddy County, N.M. (LC-062052).

Marathon Oil Company plans to produce the two (2) leases to a common stock tank battery with separate heater-treaters and metering facilities to accurately determine production from each lease prior to commingling. The common battery is to be located at the Johnson "B" Federal Lease No. 4, 1980' FSL & 1980' FWL, Section 11, T.18S, R.31E, Eddy County, New Mexico

Attached for your review is a plat showing both leases, a production facility schematic, and a waiver letter for this application. Following review, please approve this Form 3160-5, complete the attached waiver letters, and return one copy of the approved Form 3160-5 and waiver letter in the enclosed envelope.

If you have any questions, please call Mr. J. R. Jenkins at (915) 682-1626. Your cooperation in this matter is appreciated.

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

SIGNED

J. R. Jenkins TITLE Hobbs Prod. Superintendent

DATE 1-9-89

(This space for Federal or State office use)

OPIC SEC. 1001

APPROVED BY

CHIEF OF BUREAU

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Instructions

General: This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either as shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 17: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

PRIVACY ACT

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et. seq., 351 et. seq., 25 U.S.C. et. seq.; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is to be used to evaluate, when appropriate, approve applications, and report completion of secondary well operations, on a Federal or Indian lease.

ROUTINE USES: (1) Evaluate the equipment and procedures used during the proposed or completed subsequent well operations. (2) Request and grant approval to perform those actions covered by 43 CFR 3162.3-2(2). (3) Analyze future applications to drill or modify operations in light of data obtained and methods used. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this notice and report and disclosure of the information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected in order to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

This information will be used to report subsequent operations once work is completed and when requested, to obtain approval for subsequent operations not previously authorized.

Response to this request is mandatory for the specific types of activities specified in 43 CFR Part 3160

Mid-Continent Region
Production United States



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

January 9, 1989

TO ROYALTY INTEREST OWNERS:

Subject Reference: Application for Lease Commingling of the
Johnson "B" Federal Lease,
Section 11, T.18S, R.31E
Eddy County, New Mexico and
Marathon Shugart "B" Lease,
Section 11, T.18S, R.31E
Eddy County, ew Mexico

The undersigned was notified of Marathon Oil Company's
application for lease commingling, Exception to Rule 309-A, of
the above referenced leases and waives objection to this
application.

Company

Company Representative

Title

Mid-Continent Region
Production United States



**Marathon
Oil Company**

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

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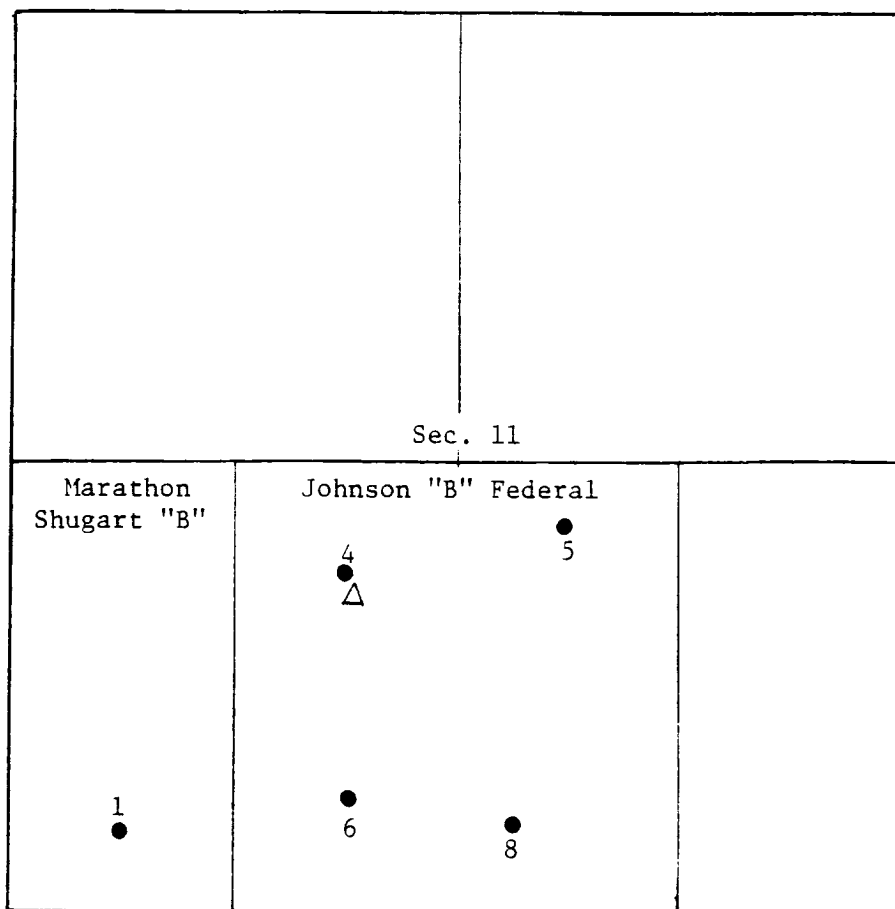
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MARATHON OIL COMPANY
LEASE COMMINGLING
PLAT



- Johnson "B" Federal No. 4
1980' FSL & 1980' FWL
Sec. 11, T.18S, R.31E
Eddy County, New Mexico

Tamano-Bone Spring Pool Producer
8060-8150'

- Johnson "B" Federal No. 5
2260' FSL & 1980' FEL
Sec. 11, T.18S, R.31E
Eddy County, New Mexico

Tamano-Bone Spring Pool Producer
8082-98', 8110-18', 8128-40',
8170-8224'

- Johnson "B" Federal No. 6
1980' FWL & 660' FSL
Sec. 11, T.18S, R.31E
Eddy County, New Mexico

Tamano-Bone Spring Pool Producer
7924-42', 7962-98', 8018-38'

- Johnson "B" Federal No. 8
510' FSL & 2030' FEL
Sec. 11, T.18S, R.31E
Eddy County, New Mexico

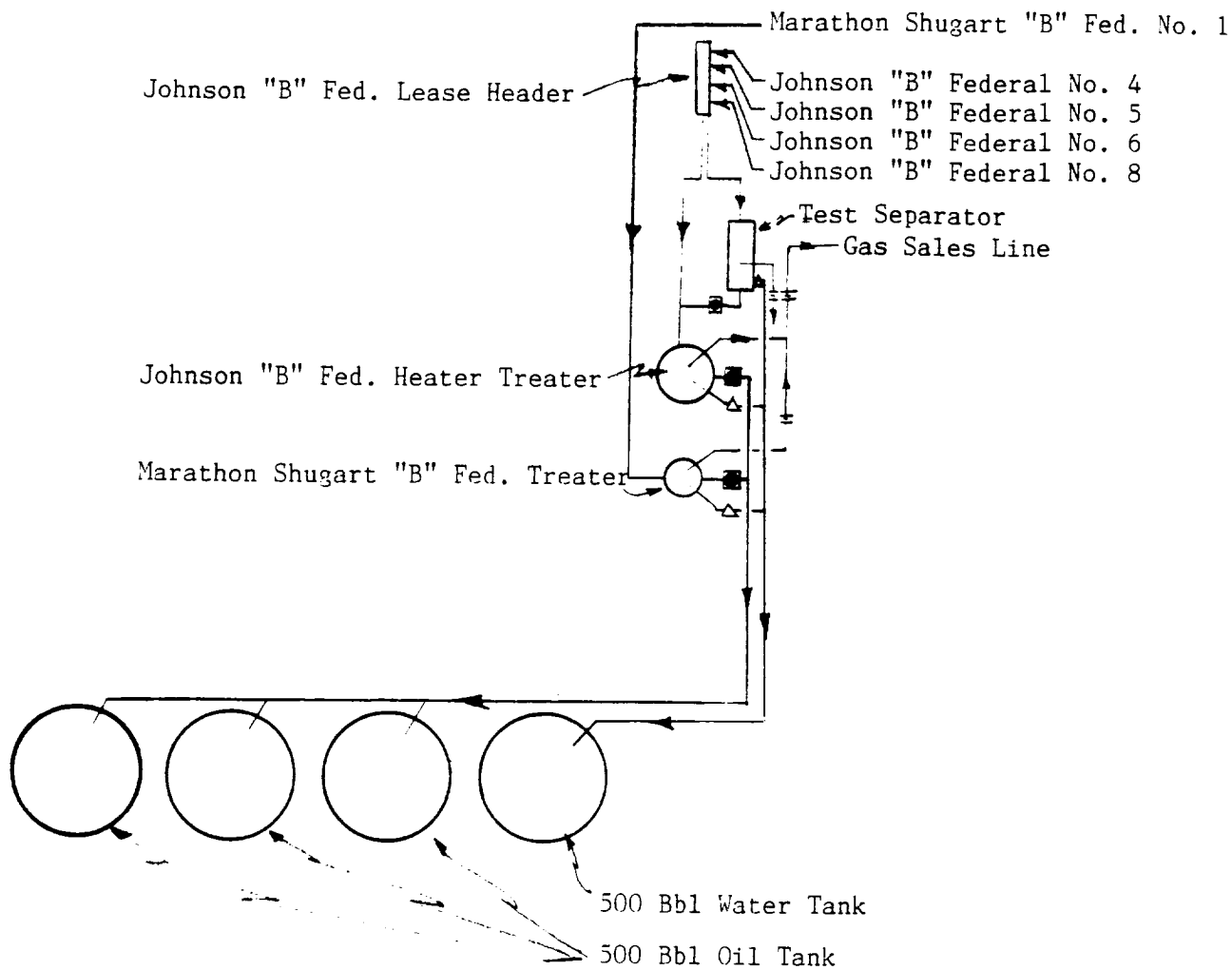
Tamano-Bone Spring Pool Producer
8115'-8200'

- Marathon Shugart "B" Federal No. 1
660' FWL & 470' FSL
Sec. 11, T.18S, R.31E
Eddy County, New Mexico

Tamano-Bone Spring Pool Producer
8072-8120'

△-Tank Battery Location (Facility Schematic Attached)

MARATHON OIL COMPANY
 PRODUCTION FACILITY SCHEMATIC
 APPLICATION FOR LEASE COMMINGLING



LEGEND

- Oil Meter
- ⊞ Gas Meter
- △ Water Meter

NOT TO SCALE

PRODUCTION FACILITIES LOCATED
 UNIT K, SECTION 11, T-18S, R-31E
 LEA COUNTY, NEW MEXICO