

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OIL CONSER
811 S. 1st ST.
ARTESIA, NM 88401

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Marathon Oil Company

3. Address and Telephone No.

P.O. Box 552, Midland, TX 79702

915/682/1626

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

UL "K", 1650' FSL & 2310' FWL
SEC 3, T-21-S, R-23-E

5. Designation and Serial No.

NM 05608

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

North Indian Basin
Unit Gas Com

8. Well Name and No.

N. Indian Basin U. GasCom 3

9. API Well No.

30-015-10557

10. Field and Pool, or exploratory Area

Indian Basin Upper Penn

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other OFF LEASE MEASUREMENT

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

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

13. 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 requests that this well be permitted to allow OFF LEASE MEASUREMENT AND STORAGE. The product from this well will be taken via pipeline to the NORTH INDIAN BASIN UNIT SATELLITE FACILITY. It will then be metered thru an individual lease separator. The water and oil will be taken to the MOC Fed Consolidated Facility. Gas will be compressed and sent directly to the IBGP. The oil (less than 2 BPD based on tests) will be sold thru the existing tankage and LACT. Gas will be compressed and sent directly to the IBGP. The water will be disposed of into one of Marathons disposal wells. Product allocation will be done based on regular well tests.

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

Signed

Thomas P. Price

Title Advanced Engineering Tech

Date 5/20/96

(This space for Federal or State office use)

Approved by

One Signed by Adam Salameh

Title

Petroleum Engineer

Date

6/14/96

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

APPLICATION FOR SURFACE COMMINGLING
OFF LEASE STORAGE AND MEASUREMENT APPROVAL

To: Bureau of Land Management
P.O. Box 1778
Carlsbad, New Mexico
88220-1778

Marathon Oil Company is requesting approval for Surface Commingling, and Off Lease Storage & Measurement of Hydrocarbon Production from the following formation and well on Federal Lease No NM 05608; Lease Name: N. Indian Basin Unit (GAS COM)

WELL

<u>NO.</u>	<u>LOCATION</u>	<u>SEC</u>	<u>TWP.</u>	<u>RNG</u>	<u>FORMATION</u>
3	UL "K" 1650' FSL & 2310' FWL	3	21-S	23-E	Upper Penn

	<u>Oil API</u>	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
<1	47.9	2530

with the already commingled Hydrocarbon Production from the Upper Penn formation **MOC Federal**, located in Section 1, T-21-S, R-23-E, Eddy County, New Mexico.

	<u>Oil API</u>	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
904	42.0	2200

And with the already commingled Hydrocarbon Production from the Upper Penn formation on the **Comanche Fed "3"** located in the Sec 2, 3, 10 & 11, T-21-S, R-23-E, Eddy Co., New Mexico.

	<u>Oil API</u>	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
1	47	4138

And with the already commingled Hydrocarbon Production from the Upper Penn formation on the **Bone Flat Federal Com. # 91035** located in the West ½ of Section 12, T-21-S, R-23-E, Eddy Co., New Mexico.

	<u>Oil API</u>	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
1185	42.3	2000

And with the already commingled Hydrocarbon Production from the Upper Penn formation on the **Stinking Draw** lease numbers ST K-1877 and ST E-10169-1 located in the South ½ of Section 36, T-21-S, R-23-E, Eddy County, New Mexico.

	<u>Oil API</u>	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
300	42.2	3350

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

A map is enclosed showing the lease numbers and locating of all leases and wells that will contribute production to the commingling/common storage facility. All unitized/communitized areas and, producing zones/pools are also clearly illustrated. A schematic diagram is also illustrated which clearly identifies all equipment that will be utilized.

The Storage and Liquid Hydrocarbon Sales Facility is located at Unit Letter "D", Section 1, T-21-S, R-23-E, Eddy County, New Mexico. The Measurment Facility will be located at UL "O" Sec 11, T-21-S, R-23E. The BLM will be notified of any change in facility location.

Production will be allocated to this well based on monthly well tests and the previously approved methods of lease allocation.

The working interest owners were notified of the original commingling proposal and the afore mentioned ammendments.

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 Lease.

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

Additional wells require additional commingling approvals.

Signature



Name: R. A. Biernbaum

Title: Manager, Indian Basin Asset Team

May 20, 1996

R-23-E

MOC Federal Consolidated Facility
 Commingling Application
 North Indian Basin Unit,
 Stinking Draw, MOC Federal
 Bone Flats Federal "12" Com
 South Dagger Draw Field
 Eddy County, New Mexico

NOT TO SCALE
 MOC Federal Consolidated Plant Facility
 12" Section 1, T-21-S, R-23-E
 OGD Commingling Order 2 CTR 327

Comanche Federal "3"

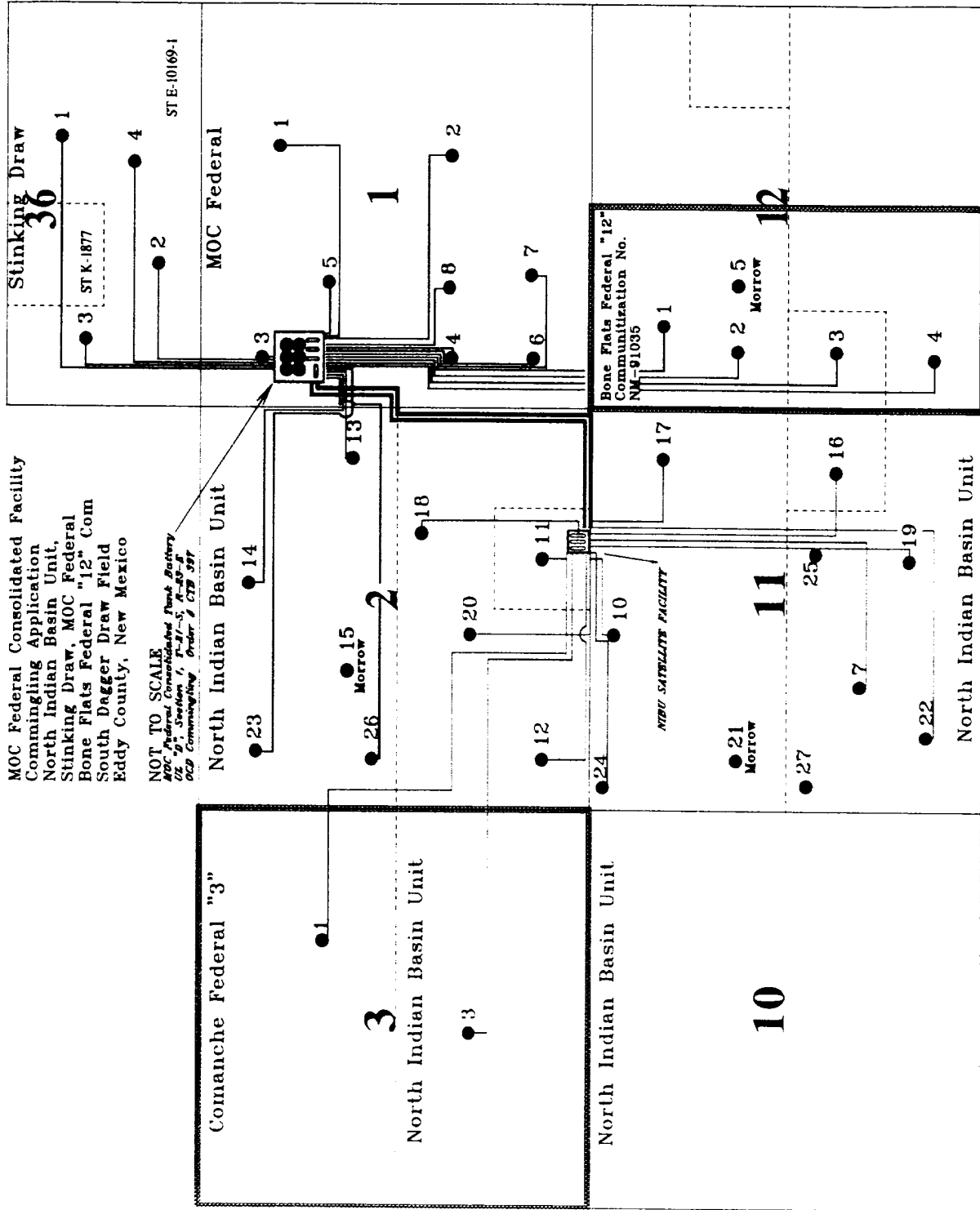
3

North Indian Basin Unit

3

North Indian Basin Unit

10



MOC FEDERAL
 1 990' FNL & 1855' FEL, SEC 1
 2 1980' FSL & 1980' FEL, SEC 1
 3 760' FNL & 660' FWL, SEC 1
 4 1980' FSL & 660' FWL, SEC 1
 5 1650' FNL & 1650' FWL, SEC 1
 6 660' FSL & 1750' FWL, SEC 1
 7 890' FSL & 1750' FWL, SEC 1
 8 2030' FSL & 1650' FWL, SEC 1
 BONE FLATS "12" FEDERAL COM
 1 990' FNL & 990' FWL, SEC 12
 2 1980' FNL & 660' FWL, SEC 12
 3 1980' FSL & 660' FWL, SEC 12
 4 660' FSL & 660' FWL, SEC 12
 STINKING DRAW
 1 660' FNL & 1650' FEL, SEC 36
 2 660' FSL & 1980' FWL, SEC 36
 3 990' FNL & 990' FWL, SEC 36
 4 970' FSL & 2076' FSL, SEC 36
 COMANCHE FEDERAL
 3 1650' FNL & 1850' FEL, SEC 3

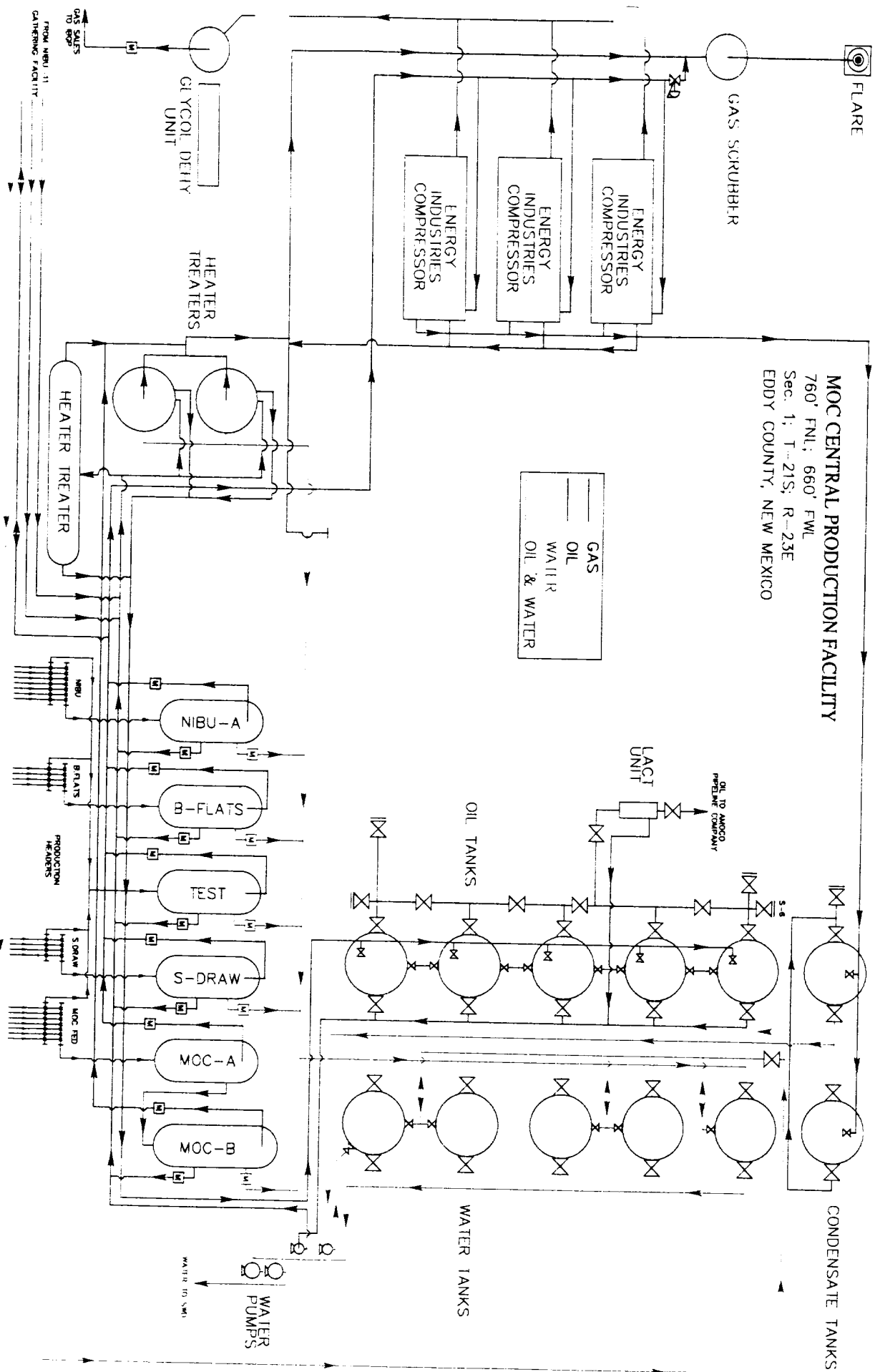
NORTH INDIAN BASIN UNIT
 7 1650' FSL & 1650' FWL, SEC 1
 10 330' FNL & 2310' FWL, SEC 1
 11 660' FSL & 1980' FWL, SEC 2
 12 660' FSL & 660' FWL, SEC 2
 13 2050' FNL & 660' FWL, SEC 2
 14 660' FNL & 2310' FWL, SEC 2
 16 1980' FSL & 825' FEL, SEC 11
 17 990' FNL & 660' FWL, SEC 11
 18 2310' FSL & 1650' FWL, SEC 2
 19 990' FSL & 1986' FWL, SEC 11
 20 1650' FSL & 2310' FWL, SEC 2
 21 1980' FNL & 660' FWL, SEC 11
 22 760' FSL & 990' FWL, SEC 11
 23 760' FNL & 760' FWL, SEC 2
 24 122' FNL & 310' FWL, SEC 11
 25 2310' FNL & 1894' FEL, SEC 11
 26 2310' FNL & 660' FWL, SEC 2
 27 2340' FNL & 255' FWL, SEC 11
 NORTH INDIAN BASIN UNIT COM "3"
 3 1650' FSL & 2310' FWL, SEC 3

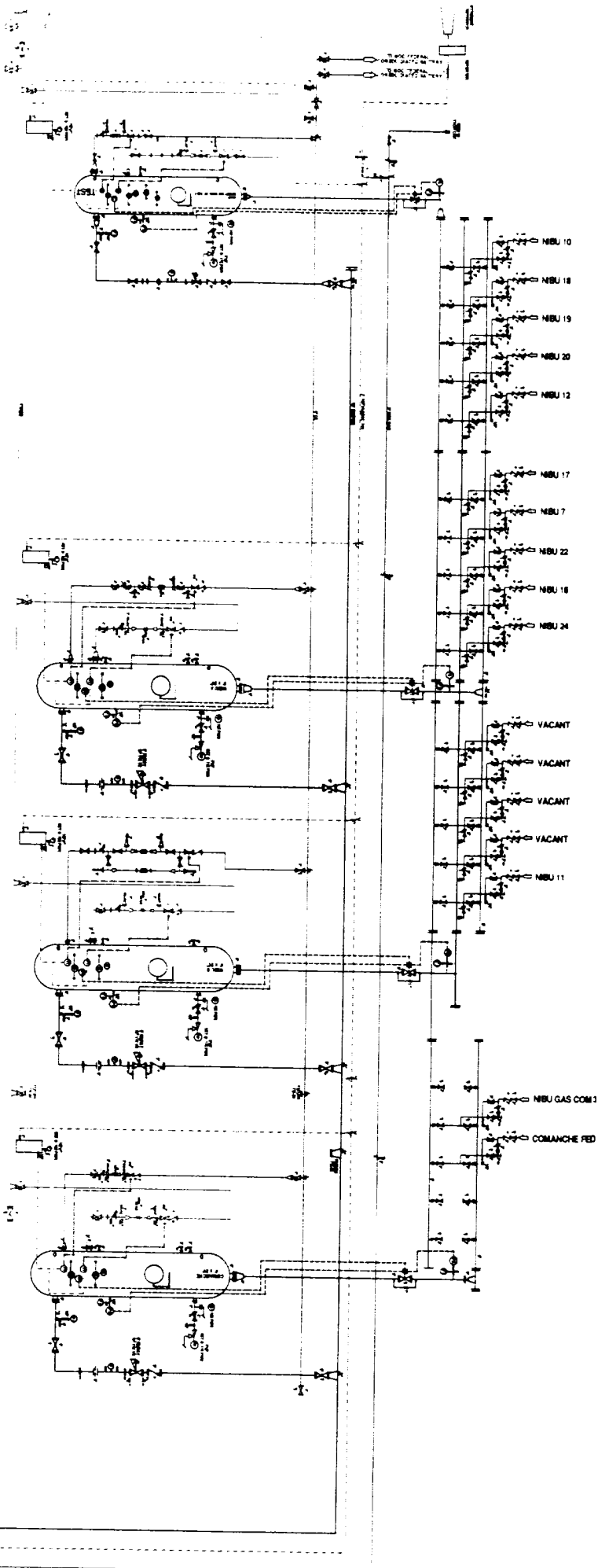
Communitization Boundry Line

Lease Line
 MOC Facility Gathering Line
 NIBU Satellite Gathering Line
 NIBU Satellite to MOC Oil Line
 NIBU Satellite to MOC Water Line

T-21 1/2-S

T-21-S





NIBU SATELLITE FACILITY UL "O", SEC 11, T21S, R23E

