	. ~	and AT	TONS COMMISSION
Form 3160-5 June 1990)	UNI1ED DEPARTMENT O BUREAU OF LAN	STATES Drawe	ID FORM APPROVED C J 18 NM 8821 Bureau No. 1004-0135 Expires: March 31. 1993
Do not use this form	SUNDRY NOTICES AND F		5 Lease Designation and Serial No. NM-05608 NM 05551- 6 If Indian. Allottee or Tribe Name OIT. If Unit or CA. Agreement Designation
	SUBMIT IN	TRIPLICATE	North Indian Basin
1 I spe of Weil Oil Gas Weil Weil	Other		8. Well Name and No. N. Indian Basin Unit 16
2 Name of Operator Marathon 011 Co		<i>t</i>	/ 9 API Well No. 30/015/28287
ul "I", 1980'		915/687/8324	10. Field and Pool, or exploratory Area South Dagger Draw: Upper Penr 11. County or Parish. State Eddy Co., NM
CHECK A	PPROPRIATE BOX(s) 1	O INDICATE NATURE OF NOTICE, R	EPORT, OR OTHER DATA
TYPE OF SU		TYPE OF	
Final At	ent Report andoninent Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing X Other <u>Surface Comm</u> runent details, and give pertinent dates, including estimated depths for all markers and zones pertinent to this work*	Change of Plans Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion or Weil Completion or Recompletion Report and Log torm. date of starting any proposed work. If well is directionally attile.
Manathon Gradu	ompany requests the		the MOC FEDERAL CONSOLIDATED 23-East. Surface Commingling. e of a LACT were approved
		F	SECEINED
			OCT 1 8 1995
		Ć	DIST. 2
<u> </u>	he foregoing is true and correct	Title Advanced Engineering	Tech. Date
(This space for Federa Approved by Conditions of approv	al or State office use)	Title Petroleum Enzinee	
Title 18 U.S.C. Section or representations as to a	1001, makes it a crime for any person ny matter within its jurisdiction.	knowingly and wilifully to make to any department or agen	cy of the United States any false, fictitious or fraudulent statement

* See instruction on Reverse Side

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING OFF LEASE STORAGE AND MEASUREMENT APPROVAL

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

<u>Marathon Oil Company</u> is requesting approval for Surface Commingling, and Off Lease Storage & Measurement of Hydrocarbon Production from the following formation and well(s) on Federal Lease No <u>04827-B</u>; Lease Name: <u>MOC Federal</u>

<u>WELL</u> NO.	LOCATION	SEC TWP		FORMATION
<u>are r</u>	990 FNL & 1855 FEL	1 21-S	23-E	Upper Penn
	760 FNL & 660 FWL	1 21-S	23-E	Upper Penn
5	/60 FNL & 660 FNL		23-E	Upper Penn
4	1980 FWL & 660 FWL			
2	1980 FSL & 1980 FEL		23-E	Upper Penn
5	1650 FNL & 1650 FWL	1 21-S	23-E	Upper Penn
		1 21-5	23-E	Upper Penn
7	890 FSL & 1750 FWL		27 2	·FF ·- · ····

with Hydrocarbon Production from the following formation(s) and well(s) on Federal Unit Lease # 04827-B, 05551 & 05551-B; Lease Name North Indian Basin Unit.

<u>WELLI.</u> NC.	LOCATION	SEC TWP RNG	FORMATION
7	1650 FSL & 1650 FWL	11 21-S 23-E	Upper Penn
	2050 FNL & 660 FEL	2 21-S 23-E	Upper Penn
13	330 FNL & 2310 FWL	11 21-S 23-E	Upper Penn
10	660 FNL & 2310 FEL	2 21-S 23-E	Upper Penn
14	1980 FSL & 825 FKL	11 21-S 23-E	Upper Penn
16	1980 FOL & 045 FEL	11 21-S 23-E	Upper Penn
19	990 FSL & 1986 FEL		

With Hydrocarbon Production from the following formations(s) and well(s) on Federal Lease(s) No. 05608 & 05551-A, 05551, 81677; Lease Name Bone Flats Federal "12".

WELL NO.	LOCATION	SEC TWP RNG	FORMATION
1	990 FNL & 990 FWL	12 21-S 23-E	Upper Penn
	1980 FNL & 660 FWL	12 21-S 23-E	Upper Penn

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Production from the wells is as follows:

		UII	
Well Name and Number	BOPD	Gravity	<u>MCFPD</u>
MOC Federal # 1	2	60.0	2309
MCC Federal # 2	232	41.6	306
MOC Federal # 3	30	42.0	426
	89	43.0	200
	470	42.5	797
MOC Federal # 5	÷ · · ·		910
MDC Federal # 7	1164	42.4	+
North Indian Basin Unit # 7	73	43.0	79
North Indian Basin Unit # 10	500	42.6	2415
North Indian Basin Unit # 13	3 10	50.0	3060
		41.7	1639
NUI (III IIIkii Babiin Galle a		43.0	534
North Indian Basin Unit # 10			
North Indian Basin Unit # 19	9 690	41.6	1406
Bone Flats Federal "12" # 1	224	43.5	433
DOILC I ICCO I COOLINE	1600	42.4	1700
Bone Flats Federal "12" # 2	1000	74.7	±,00

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 Measuring facility is located at NW/4, Section 1, T-21-S, R-23-E, Eddy County, New Mexico. BLM will be notified of any change in facility location.

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

MOC Federal= (Sum of oil readings from MOC Federal/Sum of all oil Readings) X Gross Consolidated Facility Production.

North Indian Basin Unit= (Sum of oil readings from N. Indian Basin Unit/Sum of all oil readings) X Gross Consolidated Facility Production.

Bone Flats Federal " 12" = (Sum of Bone Flats Federal "12"/Sum of all oil readings) X Gross Consolidated Facility Production.

Stinking Draw= (Sum of oil readings from Stinking Draw/Sum of all oil readings) X Gross Consolidated Facility Production.

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The working interest owners have been notified of this 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 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

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Name: R. A. Biernbaum Title: Manager, Indian Basin Asset Team Date: May 13, 1995



