	NM OIL C	ONS COMMISSION			
	Drawe ^{r 1}	D			
	Artes	NM 88210 (17			
Form 3160-5 UNI	ITED STATES	FORM APPROVED Budge: Bureau No. 1004-0135			
(June 1990) DEPARTMEN	NT OF THE INTERIOR	Expires: March 31, 1993			
BUREAU OF	LAND MANAGEMENT	5. Lease Designation and Sectal No.			
SUNDRY NOTICES A	ND REPORTS ON WELLS	NM-05608			
Do not use this form for proposals to dril	I or to deepen or reentry to a different reservoir.	5. If Indian, Allottee or Tribe Name			
	PERMIT - " for such proposals				
		7. If Unit of CA, Agreement Designation			
SUBMI	T IN TRIPLICATE	COMM # NM-91035			
1. Type of Weil		1			
X Oil Weil Gas Well Other		8. Well Name and No.			
2. Name of Operator		Bone Flats "12" Fed Com 2			
Marathon Oil Company	V	30/015/28304			
3. Address and Telephone No. P.O. Box 552, Midland, TX 797	02 915/687/8422	10. Field and Pool, or exploratory Area			
4. Location of Well (Pootage, Sec., T., R., M., or Survey E		South Dagger Draw; Upper Penn			
UL "E", 1980' FNL, 660' FWL		11. County or Parish, State			
SEC 12. T-21-S, R-23-E					
		Eddy Co., NM			
CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPO	DRT, OR OTHER DATA			
	TYPE OF ACT	······································			
X Notice of Intent	Abandonment	Change of Plans			
	Recompletion	New Construction			
Subsequent Report	Plugging Back	Non-Routine Fracturing			
	Casing Repair	Water Shut-Off			
Final Abandonment Notice		Conversion to Injection			
	X other <u>Surface Commine</u>				
		(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.			

Marathon Oil Company requests that this well be included in the MOC FEDERAL CONSOLIDATED FACILITY, located in UL "D", Section 1, Township 21-S, Range 23-East. Surface Commingling, Off Lease Measurment and Storage, and the installation and use of a LACT were approved for the Consolidated Facility on October 5, 1994.

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4. Thereby certify that the foregoir Signed	ng is true and correct	Title Advanced Engineering Tech.	Date10/4/95
(This space for Federal or State of	ffice use)		1 1
Approved by		Title	Date 20 / 95
Conditions of approval, if any:			

File 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, fictutious 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

<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>NM-05608</u> Lease Name:<u>Bone Flats ~12" Federal Com.# 91035</u> <u>WELL</u>

<u>NO.</u>	LOCATION					<u>SEC</u>	<u>TWP.</u>	<u>RNG</u>	<u>FORMATION</u>			
2	UL	``E″	1980'	FNL	æ	660'	FWL	12	21-S	23-E	Upper Penn	

	Oil API	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
499	42.3	712.7

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.

	Oil API	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
682	42.0	9937

And with the already commingled Hydrocarbon Production from the Upper Penn formation on the **North Indian Basin Unit** located in the Section 2 & 11 T-21-S, R-23-E, Eddy County, New Mexico.

	Oil API	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
2782	42.0	17528

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 ½-S, R-23-E, Eddy County, New Mexico.

				Oil API					
		<u>BOPD</u>		<u>Gravity</u>	<u>M</u>	CFPD			
	319			42.2	4	728			
The	proposed	operation	is	described	in	detail	on	the	attached
diag	grams.								

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 Unit Letter "D", Section 1, T-21-S, R-23-E, Eddy County, New Mexico. 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.

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 R.A. Burnbaum By Tom Price

Name: R. A. Biernbaum Title: Manager,Indian Basin Asset Team Date: October 5, 1995



