

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OIL CONS COMMISSION
Lower DD FORM APPROVED
Artesia, NM 88810 1004-0135
Expires: March 31, 1993

clsf

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-05608
2. Name of Operator Marathon Oil Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 552, Midland, TX 79702 915/687/8422	7. If Unit or CA, Agreement Designation North Indian Basin Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL "A" 990' FNL & 660' FEL SEC. 11, T-21-S, R-23-E	8. Well Name and No. N. Indian Basin Unit 17
	9. API Well No. 30-015-28386
	10. Field and Pool, or exploratory Area Dagger Draw, U. Penn Assoc. S
	11. County or Parish, State Eddy CO., NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Surface Commingle</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion or 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 included in the MOC FEDERAL CONSOLIDATED FACILITY, which is located in UL "D", Section 1, Township, 21-S, Range 23-East. Surface Commingling, Off Lease Measurement and Storage, and the use of a LACT were approved for the Consolidated Facility on October 5, 1994.

RECEIVED
 OCT 11 11 20 AM '95
 GATE AREA

14. I hereby certify that the foregoing is true and correct
 Signed Thomas M. Price Title Advanced Engineering Tech. Date 10/6/95

(This space for Federal or State office use)
 Approved by Shannon J. Shaw Title PETROLEUM ENGINEER Date 11/21/95
 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.

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

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: North Indian Basin Unit 14-08-0001(8508)
WELL

<u>NO.</u>	<u>LOCATION</u>	<u>E</u>	<u>SEC</u>	<u>TWP.</u>	<u>RNG</u>	<u>FORMATION</u>
17	UL "A" 990' FNL & 660' FWL	(S1S)	11	21-S	23-E	Upper Penn

	<u>Oil API</u>	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
211	42.3	1226.0

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>
682	42.0	9937

And with the already commingled Hydrocarbon Production from the Upper Penn formation on the Bone Flat Federal Com. # 91035 located in the West 1/2 of Section 12, T-21-S, R-23-E, Eddy, New Mexico.

	<u>Oil API</u>	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
1580	42.3	1947

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 1/2 of Section 36, T-21 1/2-S, R-23-E, Eddy County, New Mexico.

	<u>Oil API</u>	
<u>BOPD</u>	<u>Gravity</u>	<u>MCFPD</u>
319	42.2	4728

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 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

A handwritten signature in black ink that reads "Thomas in Price for R A Biernbaum". The signature is written in a cursive style.

Name: R. A. Biernbaum

Title: Manager, Indian Basin Asset Team

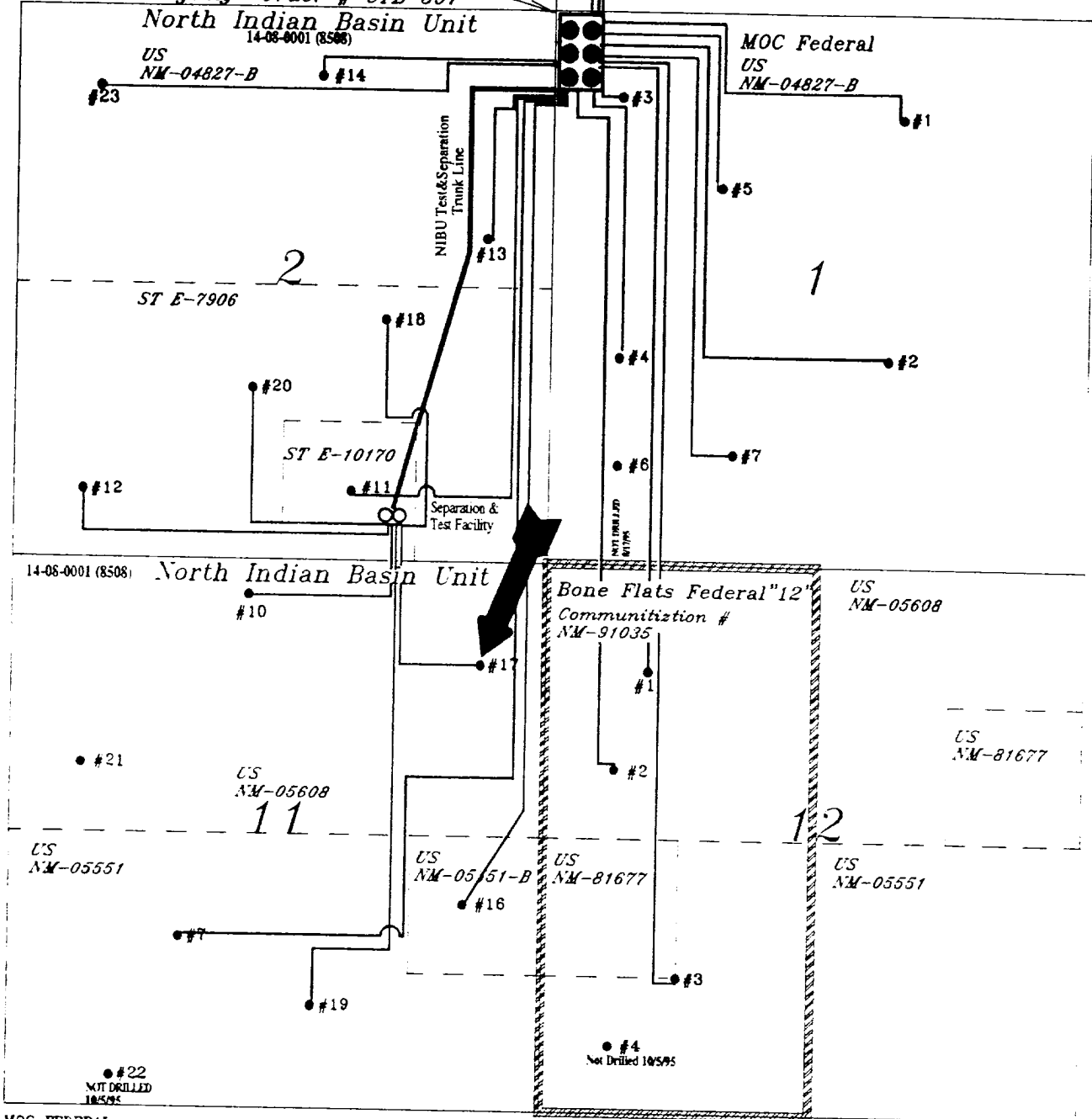
Date: October 9, 1995

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

R-23-E

NOT TO SCALE

MOC Federal Consolidated Tank Battery
 UL "D", Section 1, T-21-S, R-23-E
 OCD Commingling Order # CTB 397



MOC FEDERAL		
1	990' FNL & 1855' FEL, SEC 1	
2	1980' FSL & 1980' FWL, SEC 1	
3	760' FNL & 660' FWL, SEC 1	
4	1980' FSL & 660' FWL, SEC 1	
5	1650' FNL & 1650' FWL, SEC 1	
6	860' FSL & 1750' FWL, SEC 1	
7	890' FSL & 1750' 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	890' FNL & 990' FWL, SEC 36	
4	660' FSL & 2076' FSL, SEC 36	

NORTH INDIAN BASIN UNIT		
7	1650' FSL & 1650' FWL, SEC 11	
10	330' FNL & 2310' FWL, SEC 11	
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' FWL, SEC 11	
17	990' FNL & 660' FWL, SEC 11	
18	2310' FSL & 1650' FWL, SEC 2	
19	990' FSL & 1988' 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	

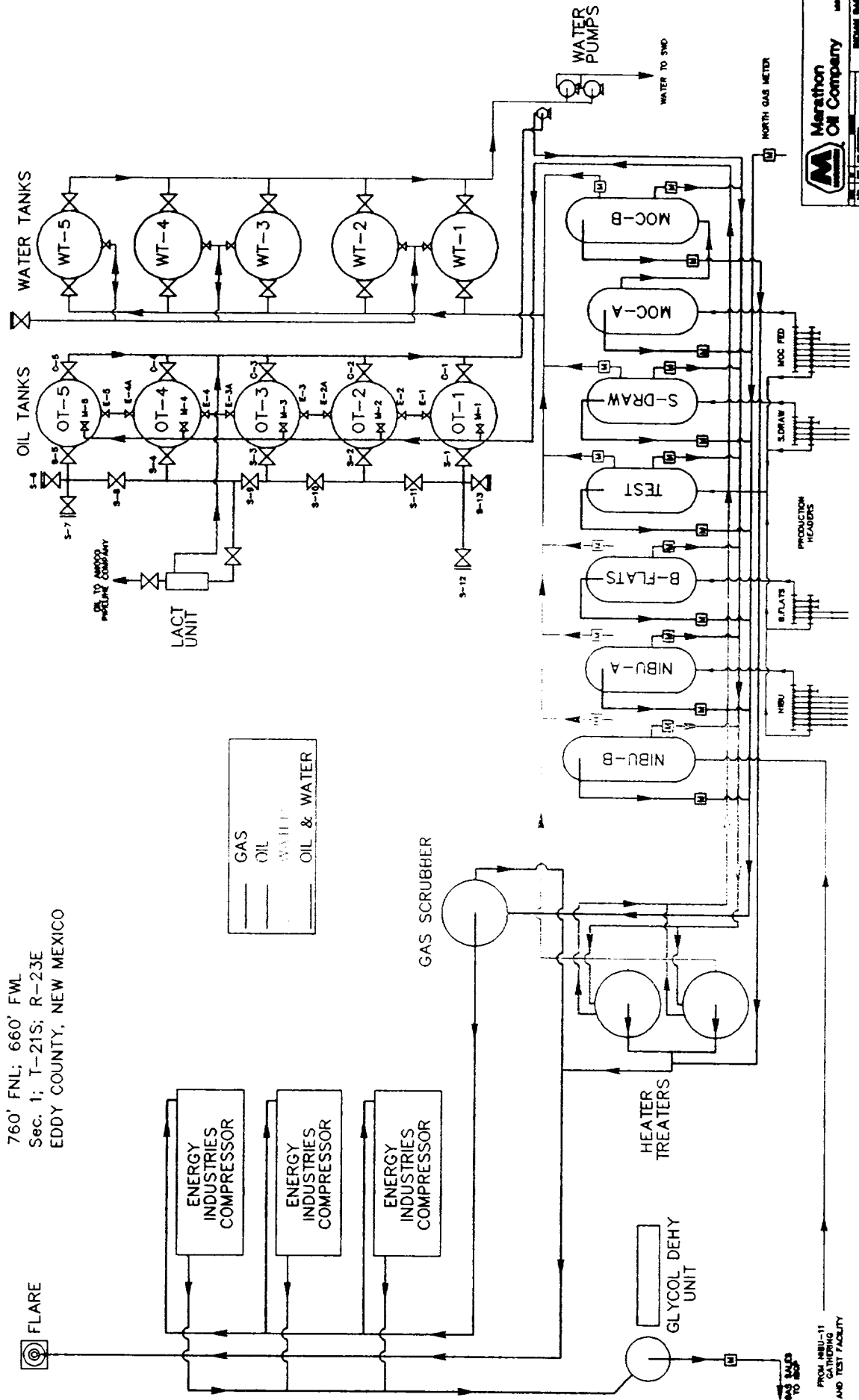
Communitization Boundary Line

Lease Line

Gathering Line

NIBU Test & Separation Facility Trunk Line

760' FNL; 660' FWL
 Sec. 1; T-21S; R-23E
 EDDY COUNTY, NEW MEXICO



Marathon Oil Company
 INDIAN BAYNE FIELD
 1960 CENTRAL
 PRODUCTION UNIT
 PROCESSING FACILITY
 1960

FROM NIBU-11
 GAS SALES
 TO MIDCO
 AND TEST FACILITY