(November 1994) DEPART N BUREAU OF L SUNDRY NOTICES Do not use this form for	T OF THE INTERIOR AND MANAGEMENT AND REPORTS ON WELLS (Budget Bureau No. 1004-0135 Expires November 30 2000 5. Lease Serial No. 2832 V-992-3 6. If Indian, Allottee or Tribe Name
Form 3160-3 (November 1994) The Internet of The		7. If Unit or CA/Agreement, Name and/or No.
X Oil Gas Well Other 2. Name of Operator Marathon Oil Company 3a. Address P.O. Box 552 Midland, TX 79702 4. Location of Well (Footage, Sec., T., R., M., or Survey Descript UL "A", 950' FNL & 1250' FEL SECTION 32, T-21-S, R-24-E	ion)	INDIAN BASIN "32" STATE #3 9. API Well No. 30-015-30535 10. Field and Pool, or Exploratory Area INDIAN BASIN UPPER PENN ASSOCIATED POOL 11. County or Parish, State EDDY NM
12. CHECK APPROPRIA	TE BOX(ES) TO INDICATE NATURE OF NOTICE, REPOR	
TYPE OF SUBMISSION	TYPE OF ACTION	
Final Abandonment Notice	Actuize Deepin Reclamati Alter Casing Fracture Treat Reclamati Casing Repair New Construction Recomple Change Plans Plug and Abandon Temporari	on Well Integrity te X Other <u>COMMINGLE</u> . ily Abandon <u>OFF-LEASE MSMT. &</u> posal <u>ALT. MSMT. METHOD</u> proposed work and approximate duration thereof.

3. Describe Proposed or Coomministed Operation (clearly state all pertinent details, including contracte locations and measured and true vertical depths of all pertinent markers and zones. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

As required by 43 CFR 3162.7-2 and Onshore Oil and Gas Order No. 4, Marathon Oil Company requests approval of off-lease measurement, storage & sales, alternate measurement method, and commingling of liquid hydrocarbon production. Also, as required by 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 5, we request approval of off-lease measurement & sales and commingling of gas production. The production from this well will be gathered at a satellite facility in Section 32, (see attached map), and then transported, via pipeline, to the central facility, which is located at UL "P", Section 19, T-21-S, R-24-E. Commingling of Indian Basin Upper Penn Gas and Associated Pools production at the central facility was originally approved 4/14/98 by order of PLC-140.

Turbine meters will be used as the Alternate Method of Metering for liquid hydrocarbons and water per prior approvals.

A form is attached which further explains this operation.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Ginny Larke Hinny Larke	Tide Engineer Technician	
	Date 1/5/98	
THIS SPACE FOR FEDER	AL OR STATE OFFICE USE	
Approved by ORIG. SGD.) GABY GOURLEY	TROTEUM ENGINEER	Date
Conditions of approval, if any, are attached. Approval of this notice does not warra certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.	lease	
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and will fraudulent statements or representations as to any matter within its jurisdiction.	fully to make to any department or agency of the Un	ited States any false, fictitious or

HOSMERT' NIN HOSMERT' NIN BE 40 NOP BE CEINED

APPLICATION FOR SURFACE COMMINGLING OFF-LEASE MEASUREMENT, STORAGE AND ALTERNATE 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, and Alternate Measurement of hydrocarbon production from the following formation(s) and well(s) on:

Lease Name: IB "32" State

Well No.	UL	Sec TWP	RNG	Formation	API No.	Lease #	<u>COM</u>
3	Α	32 21-S	24-E	Upper Penn	30-015-30535	V-992-3	N/A

Production from the referenced well is as follows:

BOPD	APL ⁰	MCFD
365	38.6°	484

This production will be commingled with the already commingled hydrocarbon production (PLC-140) from the Upper Penn formation of the following leases, which are located in Eddy County, New Mexico:

Lease Name	Location	BOPD	API Grav.	MCFPD
IB 32 State #1-Y & #2	Sec. 32, T-21-S, R-24-E	0	N/A	4,880
Indian Hills Unit &	Secs. 20, 21, 28, 29, & 33	353	42.9	10,930
Ind. Hills Unit Gas Com	T-21-S, R-24-E			

The proposed operation is described in detail on the attached diagrams. Liquid hydrocarbon production will be measured using turbine meters per prior approvals. These meters are proved on a regular schedule.

A map is enclosed showing the lease numbers and location 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 attached which clearly identifies all equipment that will be utilized.

The Storage and Measuring facility is located at <u>UL "P"</u>, <u>Sec. 19, T-21-S, R-24-E, Eddy County, New</u> <u>Mexico.</u> A satellite separation and measurement facility is located at UL "J", Sec. 32, T-21-S, R-24-E. The BLM will be notified of any change in facility location. Details of the proposed method for allocating production to contributing sources are as follows:

The production is gathered into a 3-phase separator at the satellite facility in Section 32. The gas is measured using allocation meters. It is then transported to the East Indian Basin Central Facility (UL 'P', Section 19, T-21-S, R-24-E) by pipeline. After being compressed, it is transported to the Indian Basin Gas Plant, by pipeline, for processing. After processing the gas and NGLs are metered at the tail-gate of the plant and sold. Liquid hydrocarbon production and water will be measured using turbine meters per prior approvals. These meters are proved on a regular schedule. The liquid hydrocarbons and water are also transported to the East Indian Basin Central Facility by pipeline. Liquid hydrocarbons are then sold through a LACT unit and truck hauled. Water will be injected into various water disposal wells per prior approvals. All production will be allocated to wells based on monthly well tests and the previously approved methods of lease allocation.

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 State 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:

Jatan

Name: K. W. Tatarzyn Title: Indian Basin Asset Team Manager Date: January 7, 1999

Attachments





- 1535 HBP	U.S. I Iv.a 4 Phillips Mo 0	022534 ASSIST AND	David F n Skelly-	Dool-1-2-25 TOPO218 TOPO218 TOPO218 TS	No Net'l Ger TDS 70 D/A& 8-62
681	19.3 4 Phillips Mo 0 6 1935 6 10169 1544 State HBU	TO1456 24 4.35	He Mill. U.s.	-\$ ⁴ -1' U.S.	
		Torathen Souther Depco etal	(MW Pet. '2)	yates Petnetal	Ya.
Santa Fe Ener HBP	No. Not. Monsanto 308 5 5 19 66 19 05 5 5 1063 16 05 480	Moralo / MW Pet HBU 064243	E -437 David Fasken to 10.800'	16 87 16 89 13 39 13 30 14 2 54 II	۲۴ 404 لو 23
76919	76" 192 61 190	HBU RE Marathon Marathon 7437 Boyle HBU HBU			Santa F 7-1-91 Lts. 2 th
5889	No No +1. Cos 9 - 1 - 05 1 - 2965 	1216 HEU FAU HEU 1216 HEU FAU 101598- 6520 Store 101 4 H22 3/ 363 244 45 1	Grata 3.3 Mil 16 Maraz Maraz		
13	Marathen Union	103 14:25 3 1 1 Morstori (Marathon) M1-12 Singler Hills (Depco.etal) 10 0070 MW Pet, 10 100 00 064243 0/4269 10 0070 064243	WW Pet tel Maralo 41 Hon thon	Yates Pet etai 86519	Santa
01, 50.0" 1, 10-ben: Fed 1, 26.55 1, 3, 7, 69	01593 Ø DA5164	064243 (0/A219 67)	HBU HRU HBU	5200 19 97 9743.36 19742.93 17742.33 12	42
VA 9 7 69	No Not 355 HE HE Redier		MW Pet. "2 Rout MW Pet. 1		
U S	15 2966 1776 0330449 76 1 Store U.S.	U.S. 38 39 4140 55 313437 213788 1			Senta Fe Ene
Margthan H 8 P	Montonino de Konstinali Matan	Marathon	Marathon /Marato, etcl.)	Santa Fe Ener. 7 - 1 - 91 4 2 788	7 - 1 - 91 42788
0781628	6-0144 063246 063245 69245	(MW Pet.) ودعها المحقة المحقة عدمة محمة المحقة MARATHÓN INDIAN	07260 HBU 10000 ators 7	35- starso at	Yo
	39 54 2 Prillios Prillios Tosco ("NG"-Fed" Approc 1241" 52 0 0 000 HBP C63241 1 19 - 19 - 11 17	MARATHON INDIAN	(OPER) 1287	Santa Fe Ener. 9.1-93 7 : 93 56:50 76944 90	16
24 ISENTETE	063241 J9 - I9 - 5T437 -	HILLS-	UNIT 2 36.35 #36 29 5		t lea
	Flag-Redfern McGee - ndign-F		/829	53 57 63	U.S.
\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	763246 train 14797		(2) 5 Mil) 137 74 7 37 58 8	Mary Extre Extre	
302 Jusse Fed. +	22 914256 9446 142-r Managan Mc 326 76500 HAB 76500 25235		"Indian Hills Unit"	1 12 H 20- (Eler 12) Shore.	. Marilyn Jay
j toreso Santa Fetner	42 48 9 4349 4539 6 45 8	rekalb Marainon III	Marathon Harris	Mari FA Groots Champier Dovis 3 29 90	Poc.Ent. 215.94 E127
(G A Chase)	Kern Modee Kern-Modee Hap 029301	06439:	HEP 6:03	719 4000 - 3 1 40 AUTO 50145 - 2005 - 37840 FAGroup 105 - 3 29 0425 - 31290 - 3 29 31290 - 3 29 31290 - 3 29 - 3	S Ehorer
774 AP?	Wils		1266	Pardue Farms.etc	71 >
.C	TC 3560	4113		27	-
4781	I.40 ST4235 EDOIA28 AT4363	CA1952	4 Marathan (MW Ret.)	Yates Pet. Ctal 9+1:93 76944	
4 78 1 4 78 1 ****	4034 174 1813216 15142.53 2	13.05 itaz 69 12taz 91 13taz 53	1776 Wary"	301	
ingtion Bosin*		andian Hills Unit Redfern	1ndian Hills Uni+ 17-134 US 39123	27 A T 27 G V 27	
U. S.	U.S. (Creek"	U.5. 10330448	12/6 111238 314259 21428		San
Oryx	Fagurer Flag	Marala V4 Citation OEG, etal HBP	MW Pet) HBU	7-1-92 53218 Stormolan	7
anto) Sf	33 37 21 Handgan 263246	RGHANGAR P235NH V992 RGHANGAR	225 stazsi staz=2 +135	TO 782/	i Bar
	10 500 0/A12 19 62	Cisco Dist. 6082	1287		And JiA
CA 4787	Kerr-McGee HI Delto Pet	Citation OF,G, 32	12 42 2t42 64 33 4285 10 330	5 34 6roam	S Grooms
Marathon 1 K-7806 ¹	063246 Dua! 069246	1 2022 0 1 ACA	Sul three street	🗧 💠 🗧 🗧	6.6.00
4779 r	"Winston //	B Gerty St (00) 2 4 Mil.	تري معلمي معلم معلمي معلمي معل معلمي معلمي معل	Angageno Fed Tomgil	
STH3P 1	Delta Dat. Red Pern HBP HBC I 063246 U.S. 263246	"IB-St." State		U.S. Shele	Sharer 1
1 26 d ² 4831 3 ¹ 4835 2 ¹ 48	1 1 1 4 4 5 1 6 3 7 3 5/ 72 2 5: 39	/ 53.33 d'53.21 3.33 * 2153.85 Sonta Fe Ener	52 38 152.97 3 52.98 2 52 53 Santa Fe Ener.	52 88 4 ¹ 52 88 3 ¹ 52 72 2 ¹ 52 84 Yates Pet. 12 1 93 78213	1 52 54 4 52 4 Antwell Little Walt TO 7975
Musselman Owen E king Oper	10 (Bill Fern, etal 45%) Horido 151 vt Amoco 81218 Fed 1218	Sreve Seci) 4 -1 94 Benazian 8:2:7 Feature 40-350 92	Santa Fe Ener. 1 - 1 - 33 Mil - 3037 Mil - 70 99	2 00	275
0751099 L L L	Ja 29]	3 35 H Peti24 93	Atlantic Rich.		Ī
-1¢µ G 5∖i.	\$	1000 1000 1000 1000 1000 1000 1000 100	Walt Canyon Unit 4	3	1
1	14.35 G	Disc Coer		C R inman	
₫²		5300,		Wale Jan ya r	'
"Smith Fed"	34 41 7 // **Indian Basin-Fed."			0/A4-21-64	
U.S.	U.S	ى لى	Ų. S.	U.S.	les.
MW Pet. 5un HBC	37 44 F Bill Fenn 4.1.94	Santo Fe Ener 4 1 34 Bizzo	Yates Pet. 12 + 1 - 93	DurgPet 1 11 93 1 5105	3 Nearb
0251099	8 JA 42 2 42-0	Amoco 7520 Fed. A com	76214	35157 78213 200 L	- N/2 53
s andii l	Ja 42 2 (52-0				
USA. Smith 12	34 42 3° 7		. 9	Nearburg Expl.	1
		4 1 · 95 83552	t in the second s	Nearburg Expl. 7 1 - 92 53 2 9	
MW Pet.	Jen I	78 22 P(+),2:1 93 782(4		M	
1035021 U.S.	"Lucky Stiff-Fed." U.S.	18214 U 5. 1092	U.S .	U.S.	
<u></u>	34 19 1	Yates Pet		Nearburg Expl. NearburgPet	Neart
MW Pet. 12 2592711118	1 70721 1 12 1 93	12-1-93 18215 1000	D.E.Gonzales 8 - 1 - 96 8 - 3789	HBP 101 9 53219 45143	ив 532
	■ 4	• -			





ب

R-24-E

12/29/90 RIBMAP_DWG BY: V. L. LARKE

[-21-] S