

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division  
811 S. 1st Street  
Artesia, NM 88210-2834

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Marathon Oil Company

3a. Address

P.O. Box 552 Midland, TX 79702

3b. Phone No. (include area code)

800-351-1417

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

Surface: 1069' FNL & 685' FEL, Section 20, T-21-S, R-24-E

Bottom Hole: 700' FNL & 1450' FWL, Section 21, T-21-S, R-24-E

5. Lease Serial No.

NM-07260

6. Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or N  
Indian Hills Unit

8. Well Name and No.

Indian Hills Unit #26

9. API Well No.

38-015-31274

10. Field and Pool, or Exploratory Area

Indian Basin Morrow Gas

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION

☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

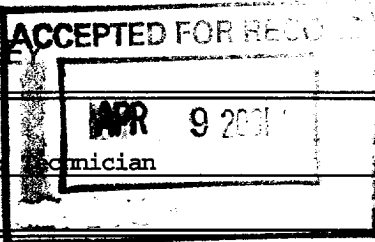
☐ Acidize ☐ Deepen ☐ Production (Start/Resume) ☐ Water Shut-Off  
☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity  
☐ Casing Repair ☐ New Construction ☐ Recomplete ☐ Other Commingling  
☐ Change Plans ☐ Plug and Abandon ☐ Temporarily Abandon Off Lease Sales &  
☐ Convert to Injection ☐ Plug Back ☐ Water Disposal Storage

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 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.)

Marathon Oil Company, in accordance with 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 5, is requesting approval of off-lease storage and sales, and surface commingling of gas production from this well. The attached form, schematics, and maps show the leases and well affected by this request, show the equipment that is used, and give a more detailed explanation of this operation.

The gas production from this well will be measured through a stack pack at the wellhead, transported via pipeline to the East Indian Basin Central Facility for compression, and then on to the Indian Basin Gas Plant for processing and sales. Any liquid hydrocarbons that this well might produce in the future will be measured at the wellhead, transported via the liquids gathering pipeline system to the Indian Basin Gas Plant liquid hydrocarbon storage tank, and then metered and sold through a LACT unit. Allocations will be done using well tests per prior approvals. Any water this well might produce in the future will be measured at the wellhead, transported via pipeline to the East Indian Basin Central Facility water storage tanks, and then injected into various disposal wells.

ORIG. SGD.) GARY GOURLEY



14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Ginny Larke

Title

Engineer Technician

Date 1/8/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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.

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JAN 10 2001

BLM  
ROSWELL, NM

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING  
OFF LEASE MEASUREMENT, STORAGE AND ALTERNATIVE 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, Off Lease Storage & Measurement of hydrocarbon production from the following formation and well(s) on the Federal Lease(s) listed below:

**INDIAN HILLS UNIT NO. 26; FEDERAL LEASE NO. NM 07260**  
**FORMATION: INDIAN BASIN MORROW GAS POOL**  
**SURFACE LOCATION: UL "A", SECTION 20, T-21-S, R-24-E**  
**BOTTOM HOLE LOCATION: UL "C", SECTION 21, T-21-S, R-24-E**

<u>Well No.</u>	<u>API No.</u>	<u>BOPD</u>	<u>MCFD</u>	<u>API°</u>
26	30-015-31274	0	3045	na


The gas production from this well will be measured through a stack pack located at the well's surface location. It is then transported, via pipeline, to the suction side of the compressors located at the East Indian Basin Central Facility, (Order R-11186), located at UL "P", Section 19, T-21-S, R-24-E, Eddy County, New Mexico. After compression, the gas is sent to the Marathon Oil Company Indian Basin Gas Plant (SW/NE, Section 23, T21S, R23E) by pipeline. After processing, the gas and NGLs are metered at the tail-gate of the plant and sold. Any water produced by this well will be sent, by pipeline, to the East Indian Basin Central Facility water storage tank and then be metered and pumped to the SWD system where it will be disposed of into various wells.

The proposed operation is shown in detail on the attached diagrams. A map is enclosed showing the 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. Schematic diagrams are also attached which clearly identify all equipment that will be utilized.

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

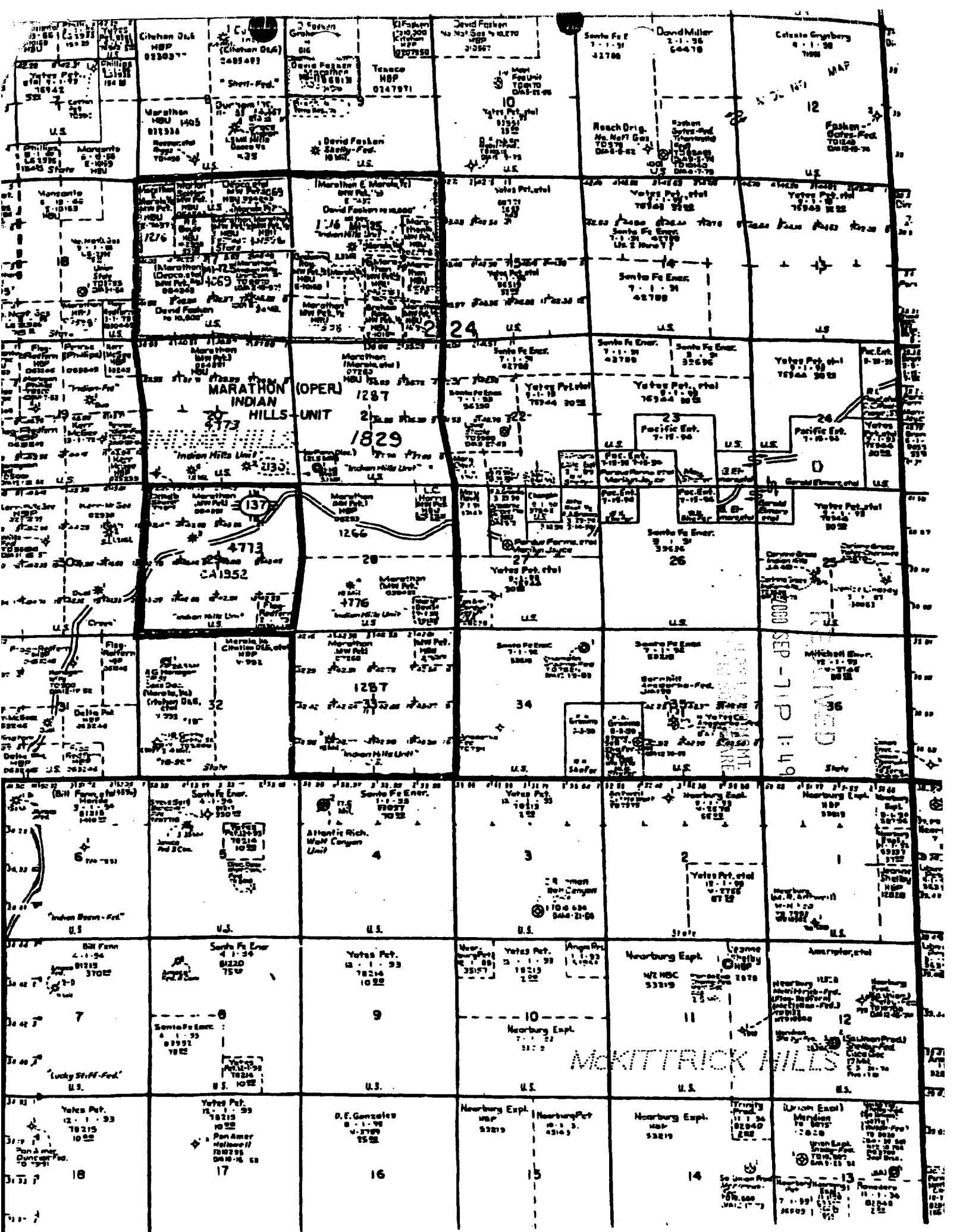


Name: Ginny Larke  
Title: Engineer Technician  
Date: January 8, 2001

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SLM  
ROSWELL



REC-111

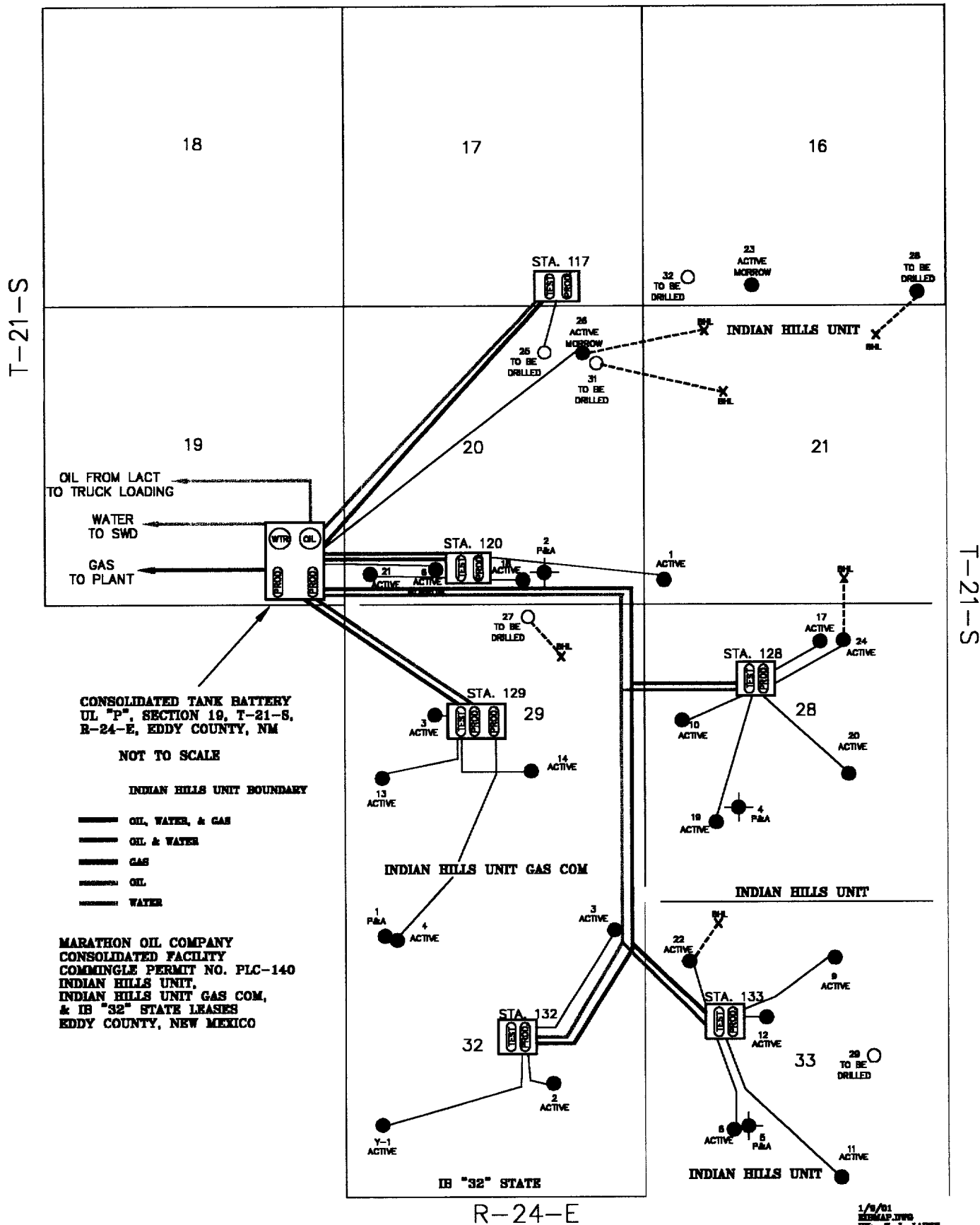
JAN 10 2004

BLK

POSITIVE

**MARATHON OIL COMPANY  
(CONSOLIDATED FACILITY)  
COMMINGLED PERMIT NO. PLC-140  
GATHERING SYSTEMS**

R-24-E



REC-11

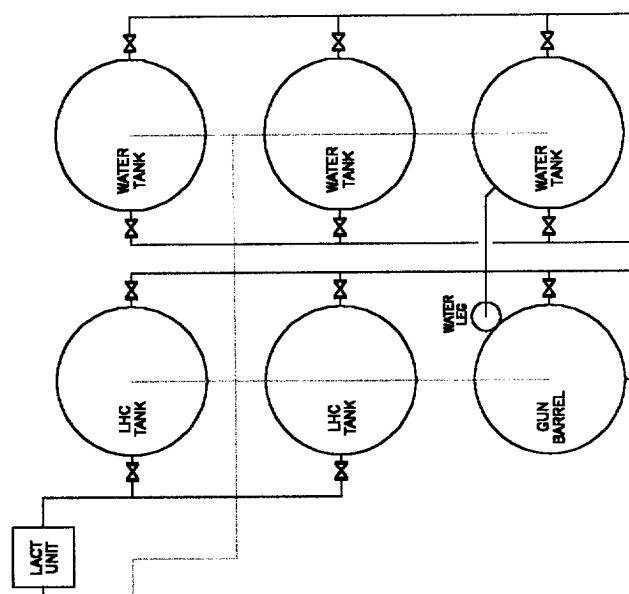
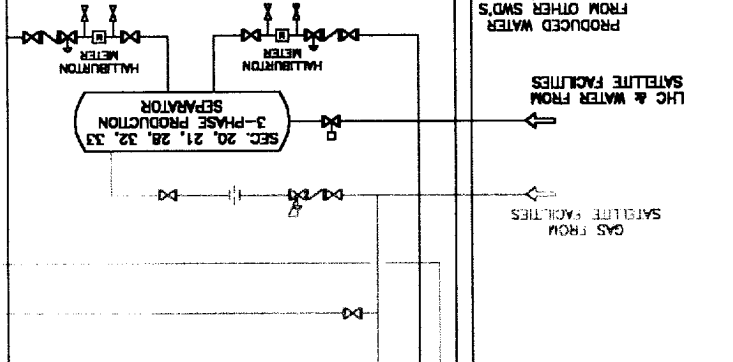
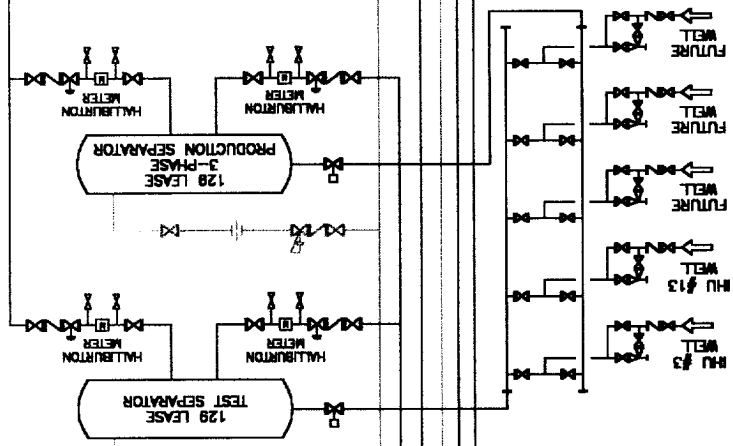
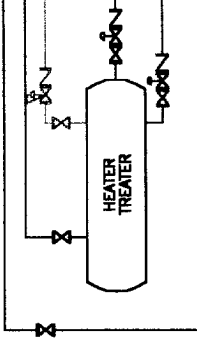
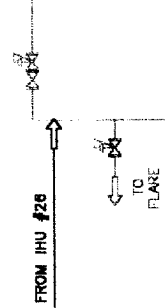
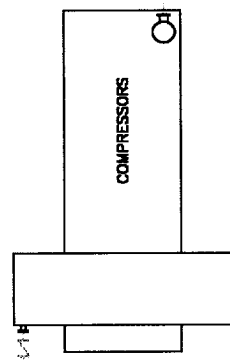
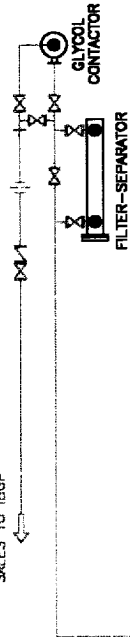
JAN 10 2021

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ROSWELL NM



TO TRUCK LOADING RACK

SALES TO IEGP



LEGEND	
—	GAS PIPING
—	LHC PIPING
—	WATER PIPING
—	LHC-WATER PIPING

INDIAN HILLS UNIT CENTRAL  
PRODUCTION FACILITY



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