

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

ADMINISTRATIVE ORDER DHC-751

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Marathon Oil Company
P.O. Box 552
Midland, TX 79702

Attention: William D. Holmes

McCallister State Well No. 9
Unit K, Section 25, Township 17 South, Range 34
East, NMPM, Lea County, New Mexico.
Vacuum Glorieta and Vacuum Blinebry Pools

Dear Mr. Holmes:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by the top unit allowable for the Vacuum Glorieta Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

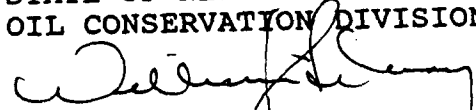
Glorieta Pool: Oil 42%,	Gas 58%
Blinebry Pool: Oil 58%,	Gas 42%

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Administrative Order DHC-751
Marathon Oil Company
January 23, 1990
Page 2

Approved at Santa Fe, New Mexico on this 23rd day of January, 1990.

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A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the printed name. The signature is fluid and cursive.

WILLIAM J. LEMAY
Director

S E A L