

Revised March 23, 2017

RECEIVED: 11/2/2018	REVIEWER: MAM	TYPE: PLL	APP NO: PM1818305 58489
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Marathon Oil Permian LLC**OGRID Number:** 372098**Well Name:** Red Light State Com 23 26 27 TB 14H, WA 15H, WXY 18H**API:** 30-015-44490, 44491, 44492**Pool:** Yarrow Bone Spring; Purple Sage Wolfcamp**Pool Code:** 87780; 98220

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

PLL-S34

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC☐ CTB☒ PLC☐ PC☐ OLS☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐Application
Content
Complete

- 3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jennifer Van Curen

Print or Type Name

Jennifer Van Curen
 Signature

Date

10/25/18

713-296-2500

Phone Number

jvancuren@marathonoil.com

e-mail Address

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. Multiple
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Marathon Oil Permian LLC		6. State Oil & Gas Lease No.
3. Address of Operator 5555 San Felipe St., Houston, TX 77056		7. Lease Name or Unit Agreement Name RED LIGHT STATE COM 23 26 27
4. Well Location Unit Letter <u>A</u> : feet from the line and feet from the line Section <u>27</u> Township <u>23S</u> Range <u>26E</u> NMPM County <u>EDDY</u>		8. Well Number Multiple
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 372098
		10. Pool name or Wildcat Multiple

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL. <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: Request to commingle <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Marathon Oil Permian LLC is requesting approval to commingle different pools on the lease. The value of the oil and gas will not be affected with the approval of this commingle request. Please see the attached pool commingle request. Wells will be accurately measured with daily measurement at separation. Notices have been mailed to all interest owners.

Wells to be commingled:

Name	Location	API	Pool
Red Light State Com 23 26 27 TB 14H	A-27-23S-26E (301 FNL 754 FEL)	30-015-44490	Purple Sage; Wolfcamp (98220)
Red Light State Com 23 26 27 WA 15H	A-27-23S-26E (300 FNL 804 FEL)	30-015-44491	Purple Sage; Wolfcamp (98220)
Red Light State Com 23 26 27 WXY 18H	A-27-23S-26E (302 FNL 704 FEL)	30-015-44492	Yarrow; Bone Spring (87780)

NOV 01 2018 PM 02:22

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Jennifer Van Curen TITLE Sr. Regulatory Compliance Representative DATE 10/26/2018
Type or print name Jennifer Van Curen E-mail address: jvancuren@marathonoil.com PHONE: 713-296-2500
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Marathon Oil Permian LLC

OPERATOR ADDRESS: 5555 San Felipe St., Houston, TX 77057

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Yarrow; Bone Spring (87780)	45.1 / 1276.5	45.2 / 1269.4	797 / 2964	266 / 764
Purple Sage; Wolfcamp (98220)	45.2 / 1257.7			531 / 2200

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code. attached

(2) Is all production from same source of supply? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E. attached

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☒ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location. attached

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

Included on the C-103 attached

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Jennifer Van Curen

TITLE: Sr. Regulatory Compliance Rep.

DATE:

10/25/18

TYPE OR PRINT NAME Jennifer Van Curen

TELEPHONE NO.: 713-296-2500

E-MAIL ADDRESS: jvancuren@marathonoil.com

Process and Flow Descriptions:

The central tank battery is located on the Red Light State Com 23 26 27 multi-well pad location in Sec 27, T23S, R26E. The production from each well will flow through its own three phase metering separator with a Micro Motion Coriolis Meter to meter the oil, Mag meter to meter the water, and an orifice meter to meter the gas. VRU gas will be allocated back to each well utilizing a percentage of each wells monthly oil production. After the water is measured with the Mag meter, it is combined with the water for the other wells and with any water knockout from the heater treater and sent to the water tanks. The water tanks have guided wave radar level transmitters which can detect oil/water interfaces. If an interface is seen the operator will use the recycle pump to pump this interface and any oil to the heater treater for further processing.

The Red Light State Com 23 26 27 CTB will have four oil tanks that these three wells will utilize and they have a common Sendero CDP, (Central Delivery Point) (**Number provided upon receipt**) which is located on site. Oil, gas, and water volumes from each well producing to this battery will be determined by using individual metering allocation separator. Oil sold through a common sales line for tanks (information provided upon receipt).

Oil production will be allocated on a daily basis based on the Coriolis Test meter located downstream of the metering test separator and daily tank gauges and truck LACT. The Coriolis meters will be proven, as per API & NMOCD specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes. Gas production will be allocated on a daily basis utilizing the gas test meters for each well. The gas production from the wells and the gas test meters will commingle and flow to an allocation meter and then to the Sendero CDP sales meter, (**number provided upon receipt**) these meters will be calibrated on a regular basis per API & NMOCD specifications. The OCD will be notified of any future changes in the facilities.

Reasoning:

The flow of produced fluids is shown in detail on the enclosed Red Light State Com 23 26 27 CTB Process Flow Diagrams along with a description of each vessel. The commingling of this production is the most effective, economic means of producing the reserves and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions.



KEY/NOTES

W – Water Storage Tank
TK – Oil Storage Tank
S – Separator
HT – Heater Treater

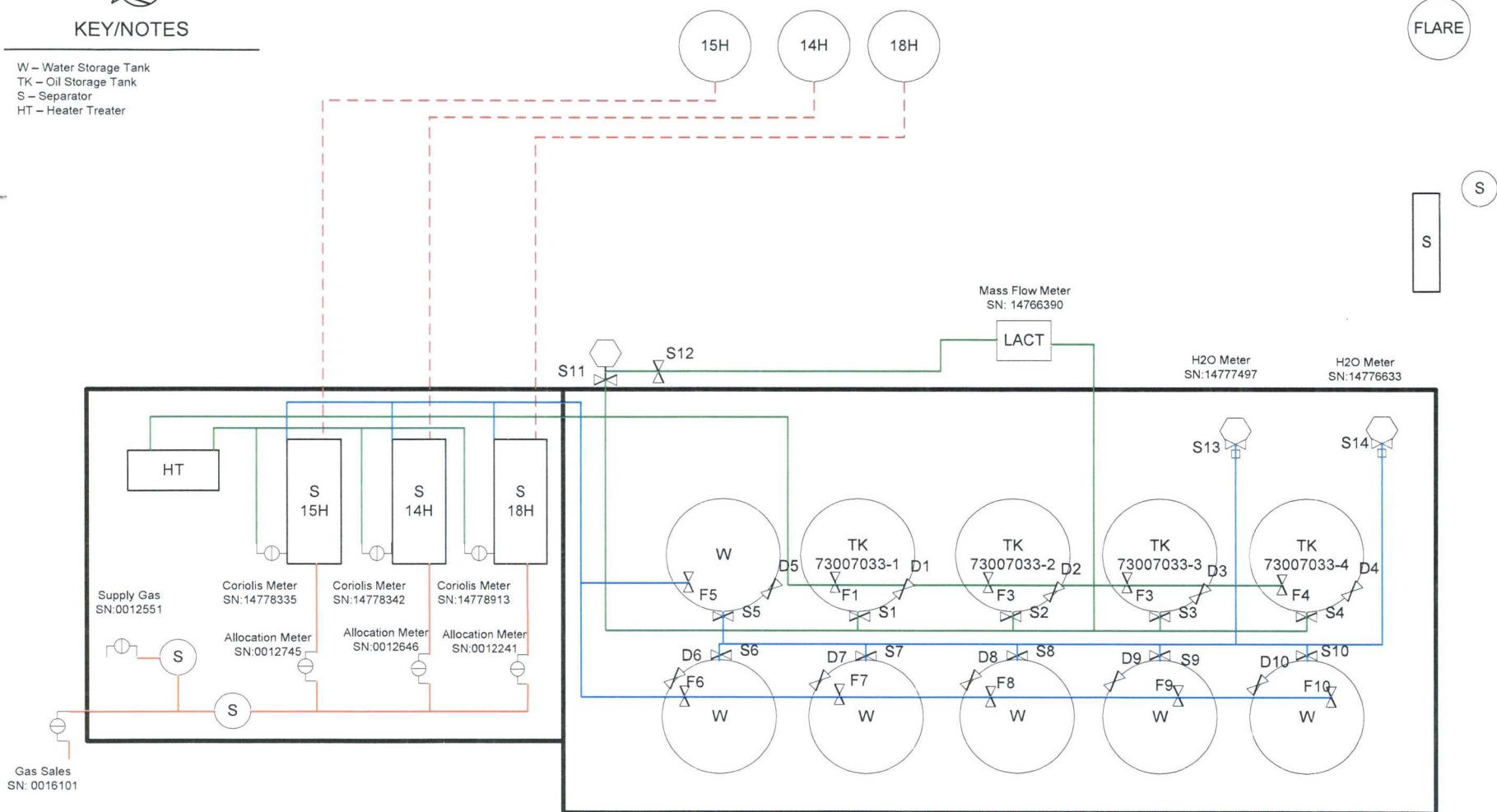


FIGURE TITLE

RED LIGHT 23 26 27 14H, 15H, 18H CTB

API **30-015-44490**
30-015-44491
30-015-44492

LEASE

CA #

OPERATOR

MARATHON OIL PERMIAN, LLC
5555 SAN FELIPE ST, HOUSTON, TX 77056

LOCATION

EDDY COUNTY, NM

A-27-T23S-R26E
301 FNL & 754 FEL

LAT 32.28188665
LONG -104.27469207

DATE **SEP 2018**

SCALE **NOT TO SCALE**

DRAWN BY **AC**

APPROVED BY **JVC**

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-44491	² Pool Code 98220	³ Pool Name PURPLE SAGE, WOLFCAMP
⁴ Property Code 319769	⁵ Property Name RED LIGHT STATE COM 23 26 27 WA	⁶ Well Number 15H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN, LLC	⁹ Elevation 3285

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	T23S	R26E		300	NORTH	804	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	34	T23S	R26E		2163	NORTH	1329	EAST	EDDY

¹² Dedicated Acres 480	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>SURFACE HOLE LOCATION 300' FNL 804' FEL NAD 83, SPCS NM EAST X:559409.76' / Y:466288.13' LAT:32.28188672N / LON:104.27485386W NAD 27, SPCS NM EAST X:518227.80' / Y:466229.90' LAT:32.28176894N / LON:104.27435190W</p> <p>FIRST TAKE POINT 8,789 DEPTH MEASURED IN FEET NAD 83, SPCS NM EAST X:558898.09' / Y:466246.23' LAT:32.28177230N / LON:104.27650964W NAD 27, SPCS NM EAST X:517716.14' / Y:466188.01' LAT:32.28165496N / LON:104.27600761W</p> <p>LAST TAKE POINT/BOTTOM HOLE LOCATION 15,967 DEPTH MEASURED IN FEET NAD 83, SPCS NM EAST X:558898.75' / Y:466102.12' LAT:32.28213403N / LON:104.276635561W NAD 27, SPCS NM EAST X:517674.65' / Y:465904.41' LAT:32.28201621N / LON:104.27615416W</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 557527.50' / Y: 466545.57' B - X: 560216.51' / Y: 466605.89' C - X: 560184.36' / Y: 458631.02' D - X: 557523.27' / Y: 458605.48'</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 516345.57' / Y: 466487.38' B - X: 519034.55' / Y: 466547.62' C - X: 519002.44' / Y: 458572.99' D - X: 516341.18' / Y: 458547.51'</p>		<p>¹⁶ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>[Signature]</i> Date: 5/1/2018 Printed Name: Adrian Covarrubias E-mail Address:</p> <p>¹⁷ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: 5/1/2018 Signature and Seal of Registered Surveyor: <i>[Signature]</i> Certificate Number:</p>
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NOTE: ALL DIMENSIONS IN U.S. FEET

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-44492	² Pool Code 98220	³ Pool Name PURPLE SAGE, WOLFCAMP
⁴ Property Code 319770	⁵ Property Name RED LIGHT STATE COM 23 26 27 WXY	⁶ Well Number 18H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN, LLC	⁹ Elevation 3284

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	T23S	R26E		302	NORTH	704	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

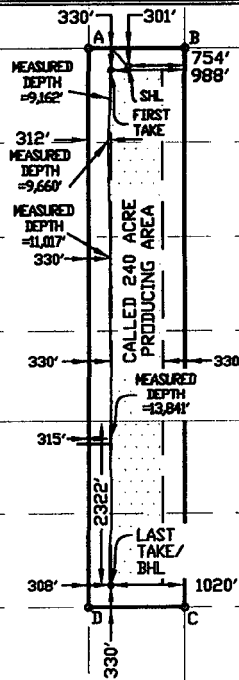
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	34	T23S	R26E		2326	NORTH	371	EAST	EDDY

¹² Dedicated Acres 480	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p>SECTION 21</p> <p>SURFACE HOLE LOCATION 302' FNL 704' FEL NAD 83, SPCS NM EAST X559509.76' / Y466288.13' LATG22818657N / LONM0427453027W NAD 27, SPCS NM EAST X518627.80' / Y466229.90' LATG22817687N / LONM0427402832V</p> <p>FIRST TAKE POINT 8,665 MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X559866.76' / Y466267.96' LATG228183057N / LONM0427337511V NAD 27, SPCS NM EAST X518684.79' / Y466209.72' LATG228171277N / LONM0427287319W</p> <p>SECTION 28</p> <p>SECTION 33</p> <p>LAST TAKE POINT/BOTTOM HOLE LOCATION 16,019 MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X559814.89' / Y458958.31' LATG228173728N / LONM0427355612W NAD 27, SPCS NM EAST X518632.78' / Y458900.27' LATG226161938N / LONM0427305479W</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 557527.50' / Y: 466545.57' B - X: 560216.51' / Y: 466605.88' C - X: 560184.56' / Y: 458631.02' D - X: 557523.27' / Y: 458605.48'</p> <p>SECTION 33</p> <p>SECTION 4</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 516345.57' / Y: 466487.38' B - X: 519034.55' / Y: 466547.62' C - X: 519002.44' / Y: 458572.99' D - X: 516341.18' / Y: 458547.51'</p>	<p>SECTION 22</p> <p>SECTION 27</p> <p>SECTION 28</p> <p>SECTION 27</p> <p>SECTION 34</p> <p>SECTION 34</p> <p>SECTION 34</p> <p>SECTION 3</p>	<p>SECTION 23</p> <p>SECTION 26</p> <p>SECTION 26</p> <p>SECTION 35</p> <p>SECTION 35</p> <p>SECTION 2</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jennifer Van Curen</i> 2/15/18 Signature Date</p> <p>Jennifer Van Curen Printed Name</p> <p>E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Registered Surveyor</p> <p>THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, SALE, BIDDING, RECORDATION OR AS THE BASIS FOR THE ISSUANCE OF A PERMIT.</p> <p>Certificate Number</p>
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1 02/07/2018 WHM
REV. DATE BY

<p>SECTION 21</p> <p>SECTION 28</p> <p>SURFACE HOLE LOCATION 301' FNL 754' FEL NAD 83, SPCS NM EAST X559459.76' / Y466288.13' LAT32.28188665N / LON104.27469207W NAD 27, SPCS NM EAST X518277.80' / Y466229.90' LAT32.28176887N / LON104.27419011W</p> <p>FIRST TAKE POINT 8,517 MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X559225.44' / Y466253.57' LAT32.28179200N / LON104.27545036V NAD 27, SPCS NM EAST X518043.48' / Y466195.35' LAT32.28167423N / LON104.27494837W</p> <p>SECTION 28</p> <p>SECTION 33</p> <p>LAST TAKE POINT/BOTTOM HOLE LOCATION 15,863 MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X559163.74' / Y45895.31 LAT32.26171902N / LON104.27565623V NAD 27, SPCS NM EAST X517983.64' / Y458893.29' LAT32.26160117N / LON104.27515483V</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 558872.00' / Y: 466575.73' B - X: 560216.51' / Y: 466605.88' C - X: 560184.56' / Y: 458631.02' D - X: 558857.63' / Y: 458618.29'</p> <p>T-23-S SECTION 33</p> <p>T-24-S SECTION 4</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 517690.05' / Y: 466517.51' B - X: 519034.55' / Y: 466547.62' C - X: 519024.44' / Y: 458572.99' D - X: 517675.52' / Y: 458560.29'</p>	<p>SECTION 22</p> <p>SECTION 27</p> <p>SECTION 28</p> <p>SECTION 34</p> <p>SECTION 34</p> <p>SECTION 3</p>	 <p>Diagram labels: 330' (top left) 301' (top right) 754' 988' (top right) SHL FIRST TAKE MEASURED DEPTH = 9,162' 312' MEASURED DEPTH = 9,660' MEASURED DEPTH = 11,017' 330' CALLED 240 ACRE PRODUCING AREA 330' MEASURED DEPTH = 13,841' 315' 232' LAST TAKE/SHL 308' 1020' 330' (bottom left)</p>	<p>SECTION 23</p> <p>SECTION 26</p> <p>SECTION 26</p> <p>SECTION 35</p> <p>SECTION 35</p> <p>SECTION 2</p>
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17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____
Date **5/1/2018**

Adrian Covarrubias

Printed Name _____

E-mail Address _____

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey _____
Signature and Seal of Registered Surveyor _____

Certificate Number _____

PRELIMINARY
 THIS DOCUMENT IS NOT TO BE USED FOR RECORDATION OF THE BASIS FOR THE CONVEYANCE OF A PERMIT.
 NO BIDDING OR SALE OF LAND SHALL BE BASED ON THIS DOCUMENT WITHOUT THE INTERVIEW OF A PERMIT.

RED LIGHT STATE COM

L03310 0010

H03403 0004

L01045 0004

28

27

26

33

34

35

Matt S. Tate, CPL
Land Professional
Permian Basin



Marathon Oil Company
5555 San Felipe
Houston, TX 77056
Telephone 713.296.2164
Fax 713.235.8033
matthewstate@marathonoil.com

October 22, 2018

DELIVERED VIA:
Certified Mail

Re: Marathon Oil Permian LLC Application For Surface Commingling
Red Light State Com 23 26 27 TB 14H, WA 15H & WXY 18H
Section 27 and 34, T23S-R26E, Eddy County, New Mexico

Gentlemen,

Marathon Oil Permian LLC ("Marathon") has filed an application with the New Mexico Oil Conservation Division ("Division") for administrative approval to surface lease commingle production according to the provisions of NMAC 19.15.12.10.C, from the Purple Sage Wolfcamp formation, Pool 98220, and the Malaga Bone Spring formation, Pool 42800, to a central tank battery located on the Red Light 23 26 27 multi-well pad located in Section 27, T23S-R27E, Eddy County, New Mexico.

The Red Light State Com 23 26 27 TB 14H will be producing from the Bone Spring formation and the Red Light State Com 23 26 27 WA 15H and WXY 18H will be producing from the Wolfcamp formation. Additional details regarding Marathon's application are attached.

As a working interest and/or royalty interest owner in these wells, Marathon is required to notify you of this application. Any objections must be filed in writing with the Division within 20 days from the date the Division receives Marathon's application.

Should you have any questions please do not hesitate to contact me at **713-296-2164** or by email at matthewstate@marathonoil.com.

Sincerely,

A handwritten signature in black ink, appearing to be 'MT' or similar initials.

Matt S. Tate, CPL
Permian Basin

Well	Name	Address	Address 2	Attention:	FED Ex or Certified Tracking #	Date Certified Mailed:
Red Light SC	2015 Oil Opportunity JV	P.O. BOX 10	FOLSOM, LA 70437		91 7199 9991 7037 7633 8017	10/23/2018
Red Light SC	BX Exploration Corporation	P O BOX 52098	TULSA, OK 74152-0098		91 7199 9991 7037 7633 8024	10/23/2018
Red Light SC	Black Stone Energy Company, LLC	P.O. BOX 4346, DEPT 503	HOUSTON, TX 77210		91 7199 9991 7037 7633 8031	10/23/2018
Red Light SC	Cactus Energy, Inc.	P.O. BOX 2412	MIDLAND, TX 79702-2412		91 7199 9991 7037 7633 8048	10/23/2018
Red Light SC	CARC, Inc. f/k/a Carlsbad Association for Retarded Children, Inc.	P.O. BOX 1808	CARLSBAD, NM 88221		91 7199 9991 7037 7633 7706	10/23/2018
Red Light SC	CEP Minerals, LLC	P.O. BOX 50820	MIDLAND, TX 79710		91 7199 9991 7037 7633 8420	10/23/2018
Red Light SC	CL&F Resources, LP	P O BOX 4438	HOUSTON, TX 77210-4438		91 7199 9991 7037 7633 8437	10/23/2018
Red Light SC	Collins & Jones Investments, LLC	508 W WALL STREET STE 1200	MIDLAND, TX 79701		91 7199 9991 7037 7633 8444	10/23/2018
Red Light SC	Crown Oil Partners, LP, Crown Ventures III, LLC, Crown Oil Partners IV Management, LP, and Crown Oil Partners IV Employee Holdings, LLC	P.O. BOX 50820	MIDLAND, TX 79710		91 7199 9991 7037 7633 8451	10/23/2018
Red Light SC	David W. Cromwell	2008 COUNTRY CLUB DR	MIDLAND, TX 79701		91 7199 9991 7037 7633 8468	10/23/2018
Red Light SC	Donna Lynn Moore Burt, separate property	3325 FM 360 RD	ROSENBERG, TX 77471-9559		91 7199 9991 7037 7633 7713	10/23/2018
Red Light SC	Eastland Resources, Inc.	P.O. BOX 3488	MIDLAND, TX 79702		91 7199 9991 7037 7633 8475	10/23/2018
Red Light SC	Featherstone Development Corporation	P.O. BOX 429	ROSWELL, NM 88202		91 7199 9991 7037 7633 8482	10/23/2018
Red Light SC	Finwing Oil & Gas, LLC	223 WEST TEXAS SUITE 900	MIDLAND, TX 79701		91 7199 9991 7037 7633 8499	10/23/2018
Red Light SC	George D. Gould	401 BRAZILIAN AVENUE	PAL BEACH, FL 33480		91 7199 9991 7037 7633 8505	10/23/2018
Red Light SC	Gerald G. Vavrek	1521 2ND AVENUE NO1604	SEATTLE, WA 98101		91 7199 9991 7037 7633 7515	10/23/2018
Red Light SC	Good News Minerals, LLC	P.O. BOX 50820	MIDLAND, TX 79710		91 7199 9991 7037 7633 7522	10/23/2018
Red Light SC	H. Jason Wacker	5601 HILLCREST	MIDLAND, TX 79707		91 7199 9991 7037 7633 7539	10/23/2018
Red Light SC	J. Cleo Thompson & James Cleo Thompson, Jr., LP	325 N ST PAUL ST, STE 4300	DALLAS, TX 75201		91 7199 9991 7037 7633 7546	10/23/2018
Red Light SC	James Adelson & Family 2015 Trust	15 EAST 5TH ST STE 3300	TULSA, OK 74103		91 7199 9991 7037 7633 7553	10/23/2018
Red Light SC	Jesse A. Faught, Jr.	P.O. BOX 52603	MIDLAND, TX 79710		91 7199 9991 7037 7633 7560	10/23/2018
Red Light SC	Kevin Moore, separate property	215 S HENRIETTA ST	HENRIETTA, TX 76365-3425		91 7199 9991 7037 7633 7720	10/23/2018
Red Light SC	LMC Energy	550 W TEXAS AVE SUITE 945	MIDLAND, TX 79701		91 7199 9991 7037 7633 7577	10/23/2018
Red Light SC	Loro Oil & Gas, LLC	223 WEST TEXAS SUITE 900	MIDLAND, TX 79701		91 7199 9991 7037 7633 7584	10/23/2018
Red Light SC	Magnum Hunter Production, Inc.	4031 SOLUTIONS CENTER #774031	CHICAGO, IL 60677-4000		91 7199 9991 7037 7633 7591	10/23/2018
Red Light SC	Manta II, LLC	223 WEST TEXAS SUITE 900	MIDLAND, TX 79701		91 7199 9991 7037 7633 7607	10/23/2018
Red Light SC	Ozark Exploration	3838 OAK LAWN AVE STE 1525	DALLAS, TX 75219		91 7199 9991 7037 7633 7614	10/23/2018
Red Light SC	Post Oak Crown IV, LLC & Post Oak Crown IV-B, LLC	34 S WYNDEN DR SUITE 300	HOUSTON, TX 77056		91 7199 9991 7037 7633 7621	10/23/2018
Red Light SC	Richard Gilham	1650 SE LOOP 338	ODESSA, TX 79762-9705		91 7199 9991 7037 7633 7638	10/23/2018
Red Light SC	Ross Duncan Properties	P.O. BOX 647	ARTESIA, NM 88211-0647		91 7199 9991 7037 7633 7645	10/23/2018
Red Light SC	Ruth S. Bell	206 CLUB DRIVE	MIDLAND, TX 79701		91 7199 9991 7037 7633 7652	10/23/2018
Red Light SC	S.E.S. Resources, LLC	223 WEST TEXAS SUITE 900	MIDLAND, TX 79701		91 7199 9991 7037 7633 7669	10/23/2018
Red Light SC	State of New Mexico	P.O. BOX 1148	SANTA FE, NM 87504-1148		91 7199 9991 7037 7633 7676	10/23/2018
Red Light SC	Troporo Oil and Gas Company	206 CLUB DRIVE	MIDLAND, TX 79701		91 7199 9991 7037 7633 7683	10/23/2018
Red Light SC	Vanguard Operating	5847 SAN FELIPE SUITE 3000	HOUSTON, TX 77057		91 7199 9991 7037 7633 7690	10/23/2018
Red Light SC	Wallace H. Scott Unified Credit Trust	3102B SCENIC DR	AUSTIN, TX 78703-1063		91 7199 9991 7037 7633 7737	10/23/2018
Red Light SC	Wells Fargo Central Pacific Holdings, Inc.	1000 LOUISIANA ST, 9TH FLOOR	HOUSTON, TX 77002		91 7199 9991 7037 7633 7744	10/23/2018
Red Light SC	XPLOR Resources, LLC	1104 N SHORE DR	CARLSBAD, NM 88220-4638		91 7199 9991 7037 7633 7751	10/23/2018
Red Light SC	Zunis Energy, LLC	15 EAST 5TH ST, STE 3300	TULSA, OK 74103-4340		91 7199 9991 7037 7633 7768	10/23/2018
Red Light SC	Trustees of the Wallace H. Scott Unified Credit Trust	3102B SCENIC DR	AUSTIN, TX 78703-1063		91 7199 9991 7037 7633 7775	10/23/2018

14H		
	Total Monthly OIL (BBLs)	Total Monthly Gas (MCF)
Apr-18	1866	6419
May-18	6932	14172
Jun-18	9506	33184
Jul-18	6515	29912
Aug-18	6751	21004
Sep-18	5392	15378

15H		
	Total Monthly OIL (BBLs)	Total Monthly Gas (MCF)
Apr-18	5222	20102
May-18	14036	43340
Jun-18	5313	41178
Jul-18	2294	34918
Aug-18	2883	22690
Sep-18	1532	28826

18H		
	Total Monthly OIL (BBLs)	Total Monthly Gas (MCF)
Apr-18	1875	7082
May-18	11806	23643
Jun-18	12100	35248
Jul-18	7334	23459
Aug-18	5647	25690
Sep-18	5520	18038