



P.O. Box 2409 Hobbs, NM 88241-2409 Telephone 505/393-7106

January 10, 1996

Mr. William J. Lemay, Director State of New Mexico Oil Conservation Division PO Box 2088 Santa Fe NM 87504-2088

RE: Application for Surface Commingling

Denton No. 1 O, Sec. 11, T-15-S, R-37-E 990' FSL & 1,980' FEL Lea County

Denton; Devonian

J.M. Denton Lease

Sec. 11, T-15-S, R-37-E

Lea County

Denton; Devonian

## Mr. Lemay:

Marathon Oil Company respectfully requests the State of New Mexico Oil Conservation Division to grant administrative approval for surface commingling for the above mentioned leases.

Marathon Oil Company gained operatorship of the Denton No. 1 from Dinero Operating Company effective January 1, 1996. Marathon Oil Company proposes to utilize separating facilities currently on the Denton No. 1 location. Upon separation, the liquids production will be metered then sent via a 4" flowline to the J.M. Denton's current facility. The gas will be sold through the current metering system on the Denton No. 1 location. The proposed production operation is in accordance with the applicable provisions.

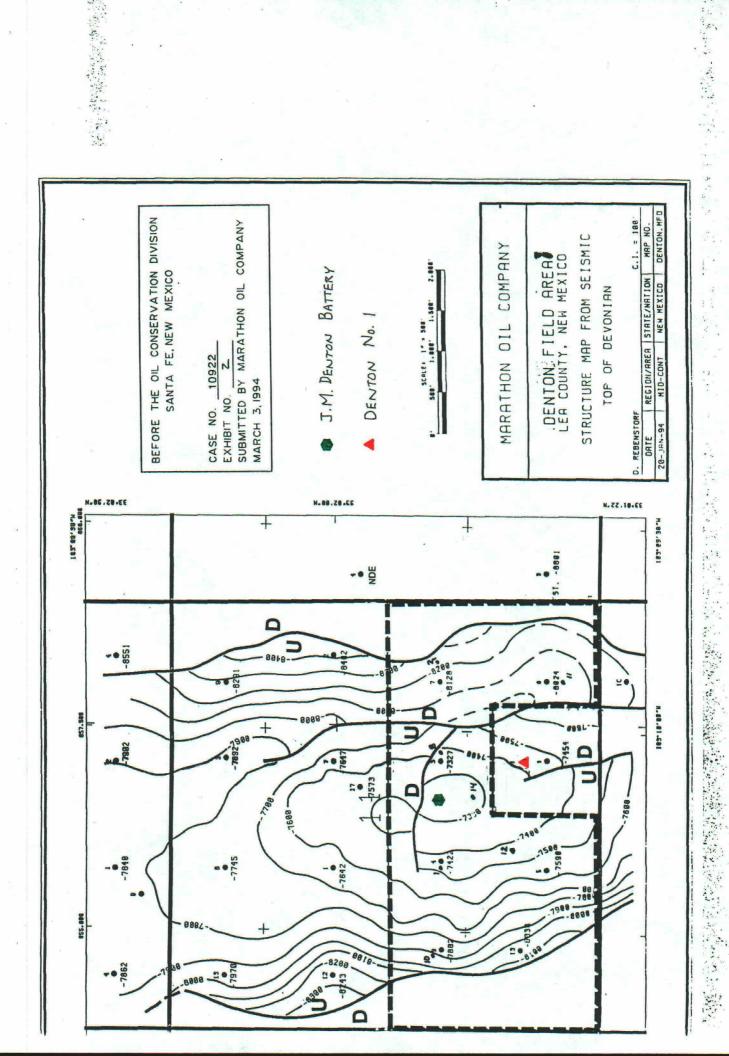
Please find attached a lease plat and a production facility schematic. Please note that the pool and the value of the oil is consistent between the two leases.

If you have any questions or comments, please advise.

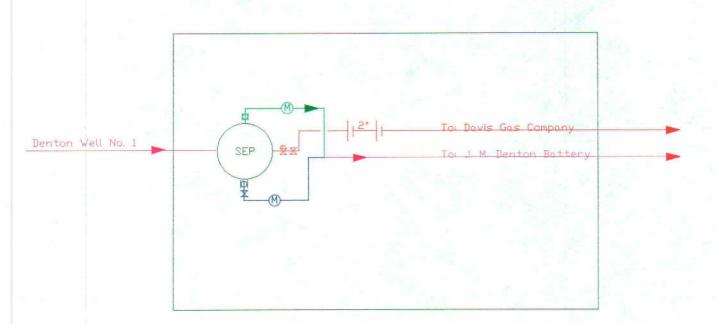
Sincerely,

Bryan L. Williams — Production Engineer

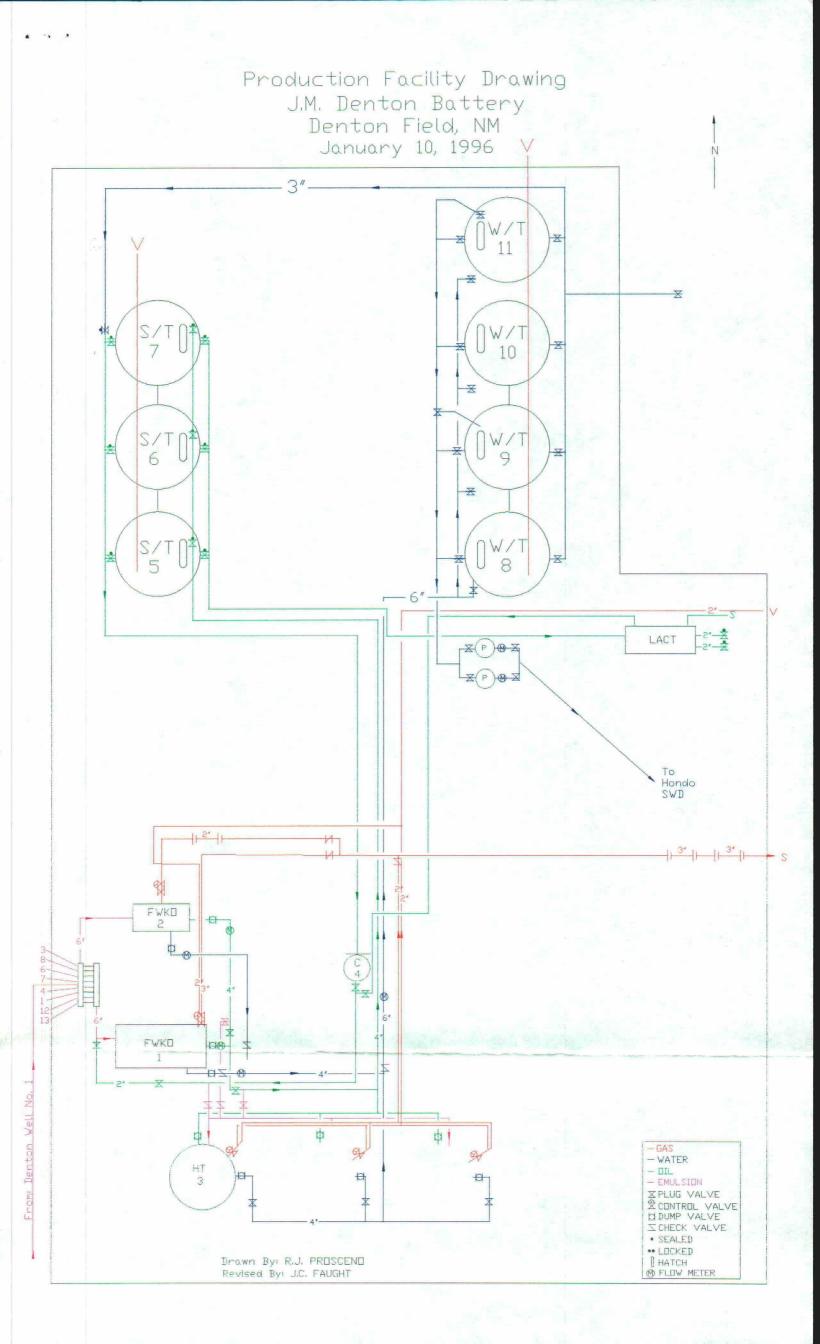
(505) 393-7106 ext. 212



Production Facility Drawing Denton Well No. 1 Battery J. M. Denton Field, NM January 10, 1996



- GAS
- WATER
- DIL
- EMULSION
X PLUG VALVE
\$ CONTROL VALVE
ID DUMP VALVE
\$ CHECK VALVE
• SEALED
• LOCKED
{ HATCH
} FLOW METER



State of New Mexico Energy, Minerals & Natural Resources Department

District I PO Box 1980, Hobbs, NM 88241-1980 District II 811 S. 1st Street, Artesia, NM 88210-2834 District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV

## OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

Form C-102 Revised February 10, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

PO Box 2088, Sant	a Fe, NM 875	04-2088								MENI	DED REPORT	
		WEL	L LOCA	ATION A	ND ACR	EA	GE DEDICA	TION PLA	T			
1	API Numbe	•		<sup>2</sup> Pool Code			<sup>3</sup> Pool Name					
3002525495			16910					Denton; Devonian				
<sup>4</sup> Property		<sup>5</sup> Property Name						6 Well Number				
		Denton						1				
7 OGRID		8 Operator Name						9 Elevation				
014021		Marath	Marathon Oil Company							3788		
<sup>10</sup> Surface Location												
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from th	ne	North/South Line	Feet from the	East/We	est line	County	
0	11	158	37E		990		South	1,980	Eas	st	Lea	
Bottom Hole Location If Different From Surface												
UL or lot no. Section 7		Township	Range	Lot. Idn	Feet from the		North/South Line	Feet from the	East/West line		County	
12 Dedicated Acre	es 13 Joint	or Infill 1	<sup>4</sup> Consolidation	n Code 15 Or	der No.		<u> </u>	<del></del>				
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NONSTANDARD UNIT HAS BEEN APPROVED BY THE DIVISION												
								17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature  Bryan L. Williams  Printed Name  Production Engineer  Title  1/11/96  Date  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 or under my supervision, and that the same is true and correct to the best of my belief.  3/3/77  Date of Survey				
				G	)	19	80'	Signature and Seal o	f Professional	Surveyer:		

Certificate Number