



**Marathon
Oil Company**

NOV - 6 2000

~~AMEND PLC~~
Mid-Continent Region
Production United States

P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

*Amendment
not needed
11-13-00*

November 1, 2000

New Mexico Oil Conservation Division
Attn: Mr. Mark Ashley
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Commingling Order PLC-140

Dear Mr. Ashley,

Attached you will find a copy of a Sundry notice which is being sent to the Bureau of Land Management to obtain approval for an additional satellite measurement facility for the Indian Hills Unit wells. Please amend the above mentioned commingle order to include this additional facility. I have attached flow diagrams of the proposed satellite facility and the Indian Hills Unit Central facility as well as a map of the area. The flow diagrams show the equipment that will be used, and the map shows the area and the location of the proposed satellite facility.

If you have any questions, or if you need any other information please call me at 800-351-1417, extension 8432. Thank you, in advance, for your prompt attention to this matter.

Sincerely,

GINNY LARKE

GINNY LARKE
Engineer Technician
Marathon Oil Company

Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

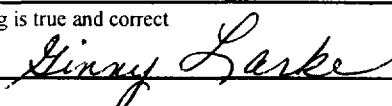
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No. INDIAN HILLS UNIT NM NM 70964X
2. Name of Operator Marathon Oil Company		8. Well Name and No. INDIAN HILLS UNIT SATELLITE FACILITY
3a. Address P.O. Box 552 Midland, TX 79702	3b. Phone No. (include area code) 800-351-1417	9. API Well No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL "N", SECTION 17, T-21-S, R-24-E SATELLITE SEPARATION FACILITY		10. Field and Pool, or Exploratory Area INDIAN BASIN UPPER PENN ASSOCIATED GAS POOL
		11. County or Parish, State EDDY NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 recompleat 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 plans to add another satellite separation facility as shown on the attached map. Please amend the commingle order (PLC-140) to include this facility. Also attached is a drawing showing the equipment to be used at this facility. The wells that will use this facility are not completed at this time, but are indicated on the attached map. The production from the wells that are gathered and measured at this facility will then be transported to the Indian Hills Unit Central Facility which is located at UL "P", Section 19, T-21-S, R-24-E. At the Central Facility, the gas production will be compressed and sent to the Indian Basin Gas Plant. After processing, the gas & NGLs will be metered and sold at the tailgate of the plant. The liquid hydrocarbon and water production will be recombined before being transported, via pipeline, to the Central Facility. At the Central Facility, the liquid hydrocarbon and water production will be separated and measured. The water will then be sent to various disposal wells per prior approvals. The liquid hydrocarbon production will be metered through a LACT meter prior to being sold at the truck loading rack. A flow diagram of the Central Facility is attached.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) GINNY LARKE	Title Engineer Technician
	Date 11/1/00

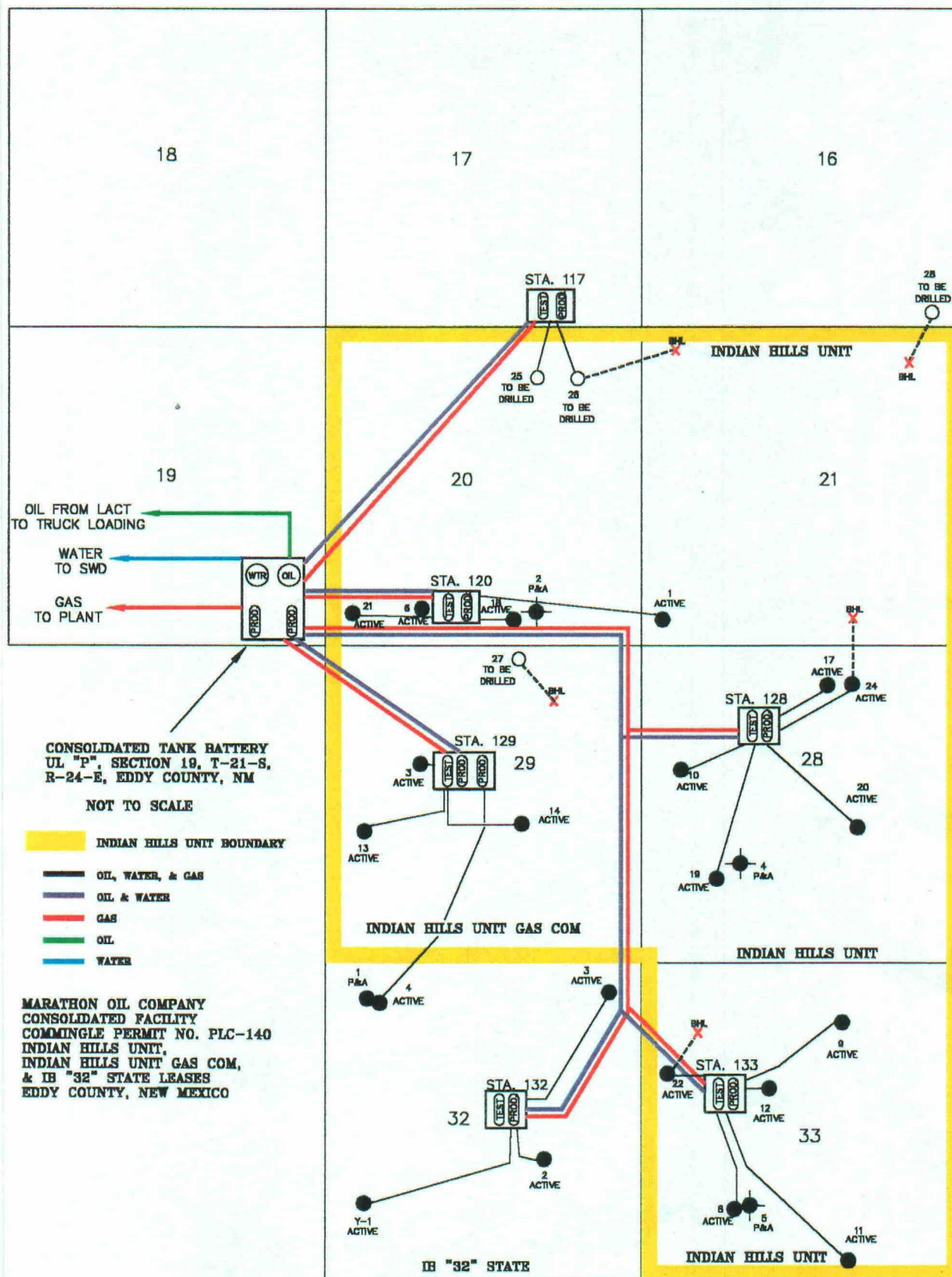
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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	

**MARATHON OIL COMPANY
CONSOLIDATED FACILITY
COMMINGLE PERMIT NO. PLC-140
GATHERING SYSTEMS**

R-24-E

T-21-S



T-21-S

CONSOLIDATED TANK BATTERY
UL "P", SECTION 19, T-21-S,
R-24-E, EDDY COUNTY, NM

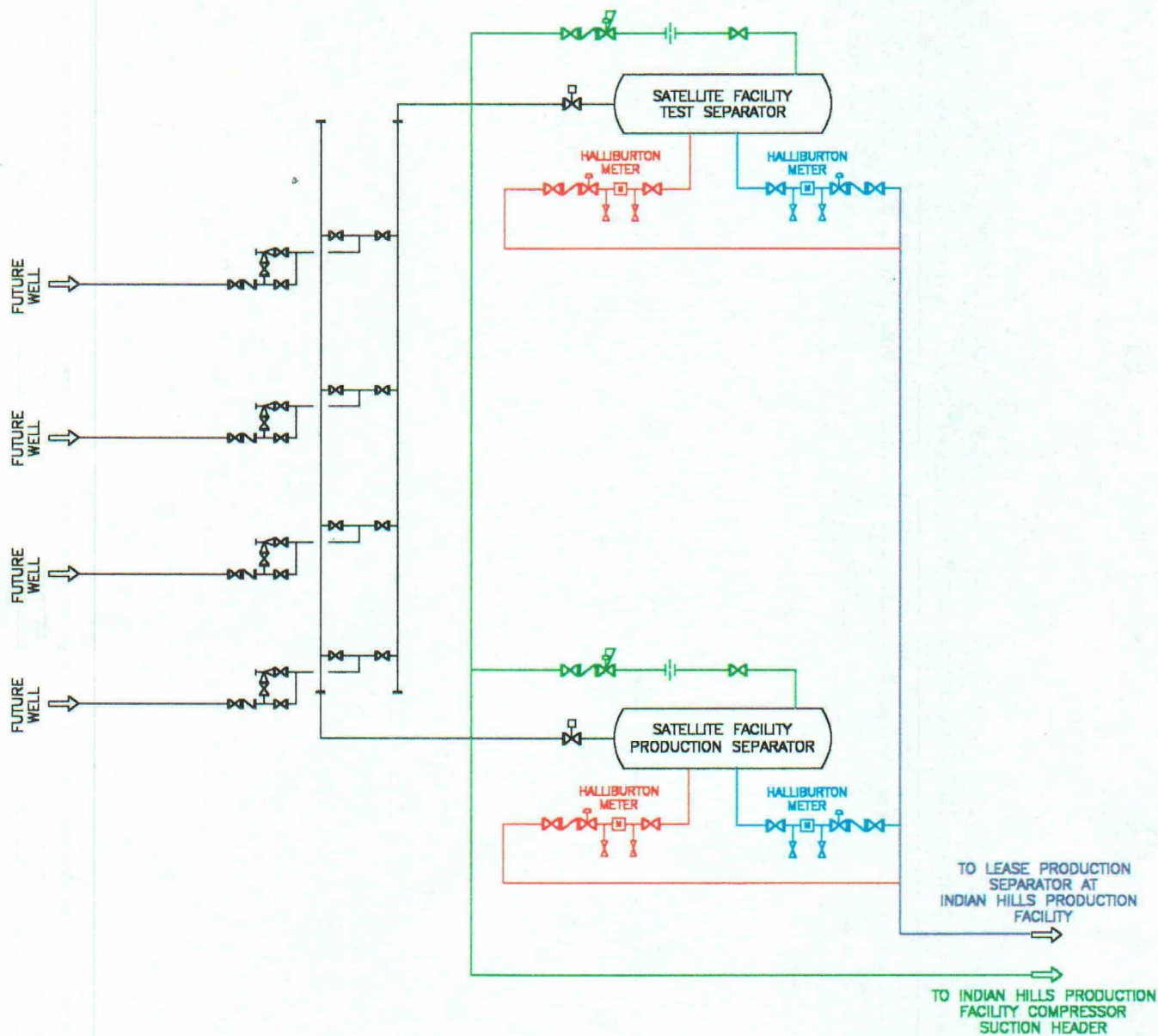
NOT TO SCALE

- INDIAN HILLS UNIT BOUNDARY
- OIL, WATER, & GAS
- OIL & WATER
- GAS
- OIL
- WATER

MARATHON OIL COMPANY
CONSOLIDATED FACILITY
COMMINGLE PERMIT NO. PLC-140
INDIAN HILLS UNIT,
INDIAN HILLS UNIT GAS COM,
& IB "32" STATE LEASES
EDDY COUNTY, NEW MEXICO

R-24-E

11/1/08
KIMAP.DWG
BY: V. L. LARKE



LEGEND

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

SECTION 17 SATELLITE
SEPARATION FACILITY
STATION 117



