

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR



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

February 13, 1992

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

Attention: S.P. Guidry

Dear Mr. Guidry:

Reference is made to your application dated November 25, 1991, to surface commingle production from the McDonald State A/C 1 and Maxwell State Leases in Section 22, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Please be advised that you need to get approval for such commingling from the Commissioner of Public Lands for the State of New Mexico prior to obtaining Division approval. Please contact Mr. Pete Martinez at (505) 827-5791 to get information on their application requirements.

I will approve your application as soon as I receive approval from the State Land Office. If you should have any questions, please contact me at (505) 827-5800.

Sincerely,

A handwritten signature in cursive script that reads "David Catanach".

David Catanach
Engineer



JIM BACA
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

March 19, 1992

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

Attn: Mr. S. P. Guidry

Re: Application for Surface Commingling
Section 16-22S-36E
McDonald State A/C Lease (State Lease No. A-2614)
Maxwell State Lease (State Lease No. B-1103-2)
Lea County, New Mexico

Dear Mr. Guidry:

Reference is made to your application letter of March 11, 1992, wherein you have applied for our approval to surface commingle the production from the McDonald A/C Well Nos. 2, 3, 4, 7, 8, 10, 29, 38, 39, 44, 45, 46, and 47 (State lease No. A-2614) with the production from the Maxwell State Well No. 1-C (State lease No. B-1103-2).

According to the information provided, Marathon Oil Company plans to commingle production from the two leases at an existing common stock tank battery located 300' SE of Well No. 39, Unit G, Section 16-22S-36E, Lea County, New Mexico. It is our understanding that production of all wells within the leases are from the South Eunice Pool and a GOR test will be run every month and will be used as a basis to allocate production from the single well located within the Maxwell State Lease.

The Commissioner of Public Lands has this date granted approval to your proposed request. Please be advised that any deviation from your proposed request will be grounds to rescind our approval. Our approval is subject to like approval by the New Mexico oil Conservation Division.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:

Floyd O. Prando
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm

cc: OCD-Attn: David Catanach

Mid-Continent Region
Production United States



**Marathon
Oil Company**

OIL CONSERVATION DIVISION
P.O. Box 552
Midland, Texas 79702
Telephone 915/682-1626 11 9 54

November 25, 1991

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. William J. Lemay, Director

RE: Application for Lease Commingling
McDonald State A/C 1 Lease
Section 16, T-22-S, R-36-E
Lea County, New Mexico

Maxwell State Lease
Section 16, T-22-S, R-36-E
Lea County, New Mexico

Dear Mr. Lemay,

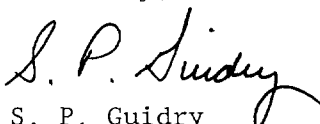
Marathon Oil Company respectfully requests that the State of New Mexico Oil Conservation Division grant administrative approval for lease commingling for the above referenced leases.

Marathon Oil Company plans to produce the two (2) leases to a common stock tank battery to be located 300' SE of Well No. 39, Unit G, Section 16, T-22-S, R-36-E, Lea County, New Mexico. The production of all wells within the leases is from the South Eunice Pool. A GOR test will be run every month and will be used as a basis to allocate production from the single well located within the Maxwell State Lease.

Attached please find a lease commingling plat, production facility schematic names and addresses of interest owners for both the above referenced leases.

If you require additional information concerning this request, please feel free to contact Mobin Ahmad at (915) 682-1626. Your cooperation in this matter is appreciated.

Sincerely,


S. P. Guidry
Operations Superintendent

Enclosure

MMA/017.274/sk

MCDONALD STATE A/C 1 - LEASE (520 ACRES)

INTEREST OWNERS
NAMES AND ADDRESSES
STATE LEASE NO. A-2614

Interest Owners

Marathon Oil Company	Net Working Interest:	100.00%
P. O. Box 552	Net Revenue Interest:	87.5%
Midland, Texas 79702		

State of New Mexico	Net Working Intertest:	0%
Oil Conservation Division	Net Revenue Interest:	12.5%
P. O. Box 2088		
Santa Fe, New Mexico 87504-2088		

MAXWELL STATE LEASE (40 ACRES)

INTEREST OWNERS
NAME AND ADDRESSES
STATE LEASE NO. A-2614

Interest Owners

Marathon Oil Company	Net Working Interest:	100.00%
P. O. Box 552	Net Revenue Interest:	87.5%
Midland, Texas 79702		

State of New Mexico	Net Working Interest:	0%
Oil Conservation Division	Net Revenue Interest:	12.5%
P. O. Box 2088		
Santa Fe, New Mexico 87504-2088		

MARATHON OIL COMPANY

WELLS IN LEASE COMMINGLING

Maxwell State Well No. 1 Unit C, 660' FNL and 1,980' FWL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,602'-3,873' Open Hole: 3,709'-3,793'
McDonald State A/C 1 Well No. 3 Unit J, 1,980' FSL and 1,980' FEL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,581'-3,666' Open Hole: 3,686'-3,783'
McDonald State A/C 1 Well No. 4 Unit P, 660' FSL and 660' FEL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Open Hole: 3,676'-3,840'
McDonld State A/C Well No. 7 Unit O, 660' FSL and 1,980' FEL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,682'-3,698' Open Hole: 3,710'-3,793'
McDonald State A/C 1 Well No. 8 Unit M, 660' FSL and 660' FWL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,526'-3,648' Open Hole: 3,667'-3,756'
McDonald State A/C 1 Well No. 2 Unit L, 1,980' FSL and 660' FWL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,566'-3,634' Open Hole: 3,662'-3,865'
McDonald State A/C 1 Well No. 10 Unit K, 1,980' FSL and 1,980' FWL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,542'-3,767'
McDonald State A/C 1 Well No. 29 Unit I, 1,980' FSL and 660' FEL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,634'-3,806'
McDonald State A/C 1 Well No. 38 Unit F, 1,980' FNL and 2,074' FWL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,622'-3,869'

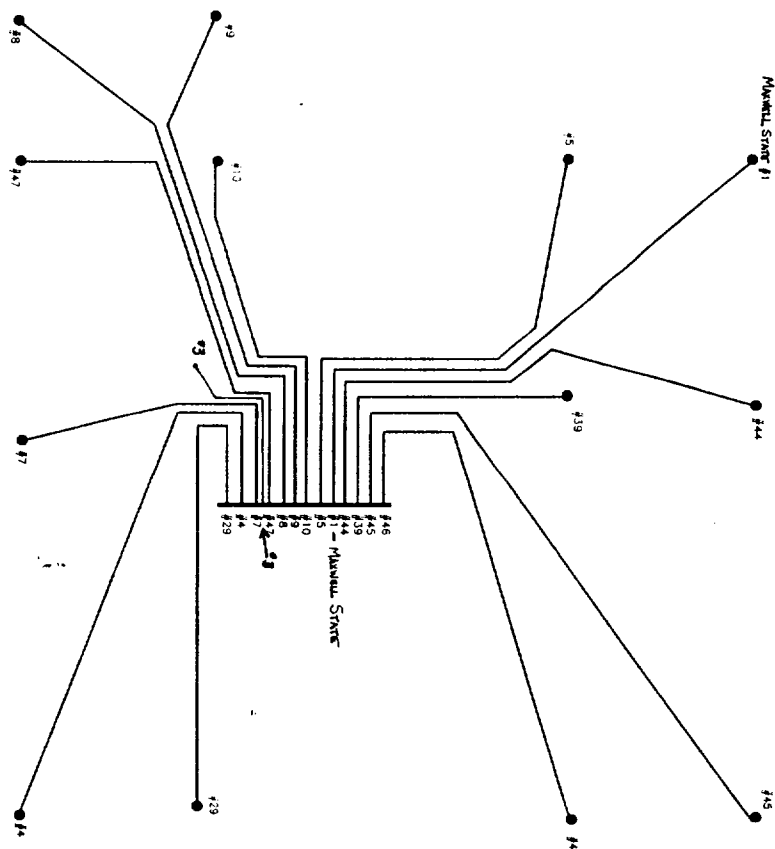
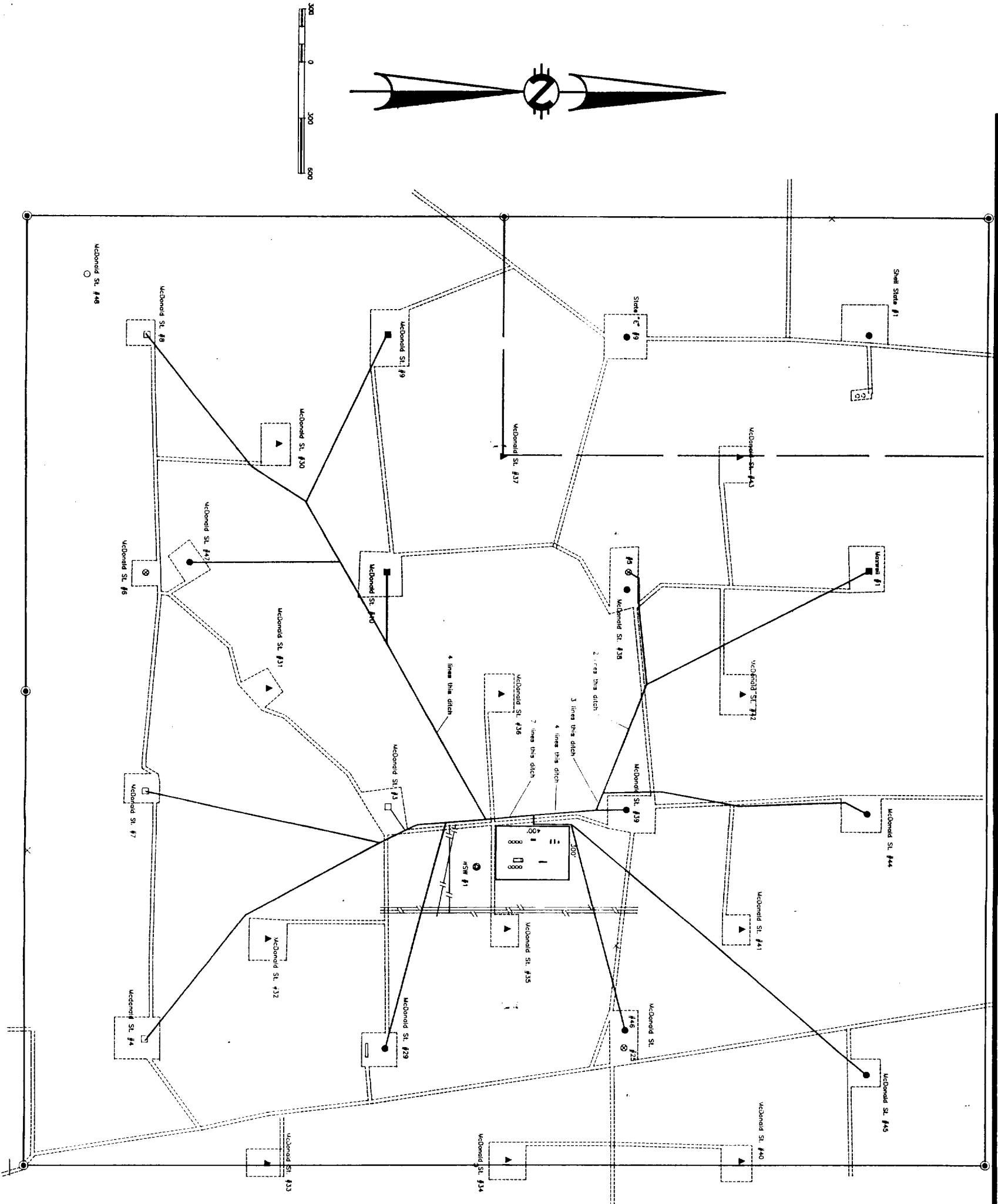
MARATHON OIL COMPANY
WELLS IN LEASE COMMINGLING

McDonald State A/C 1 Well No. 39 Unit G, 1,980' FNL and 1,980' FEL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,732'-3,906'
McDonald State A/C 1 Well No. 44 Unit B, 660' FNL and 1,960' FEL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,762'-3,844'
McDonald State A/C 1 Well Nod. 45 Unit A, 660' FNL and 510' FEL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,812'-3,912'
McDonald State A/C 1 Well No. 46 Unit H, 1,980' FNL and 760' FEL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,676'-3,878'
McDonald State A/C 1 Well No. 47 Unit N, 800' FSL and 1,980' FWL Section 16, T-22-S, R-36-E Lea County, New Mexico	South Eunice Pool Producer Perf'd: 3,636'-3,808'

NOTE: Perforations are at various depths between the indicated upper and lower perforation intervals.

SECTION 16, TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM,
LEA COUNTY, NEW MEXICO.

DELAWARE BASIN ROAD



1. USER'S COMPANY HAS THE RIGHT AND OBLIGATION TO PREPARE
FIELD NOTES OF AN ACTUAL SURVEY AND
SURVEY AS REQUIRED BY THIS STATE.

JOHN W. WEST, N.M. P.E. & P.S. No. 678
JOHN W. WEST, N.M. P.S. No. 7977
JOHN W. WEST, N.M. P.S. No. 7977
JOHN W. WEST, N.M. P.S. No. 7977
JOHN W. WEST, N.M. P.S. No. 7977
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JOHN W. WEST, N.M. P.S. No. 7977
JOHN W. WEST, N.M. P.S. No. 7977

MARATHON OIL COMPANY

PROPOSED PRODUCTION LINES

McDonald State Wells - Injection System
Located in Section 16, Township 22 South,
Range 36 East, NMPM, Lea County, New Mexico.
JOHN WEST ENGINEERING CO.

N. 0+00

N. 1+00

N. 2+00

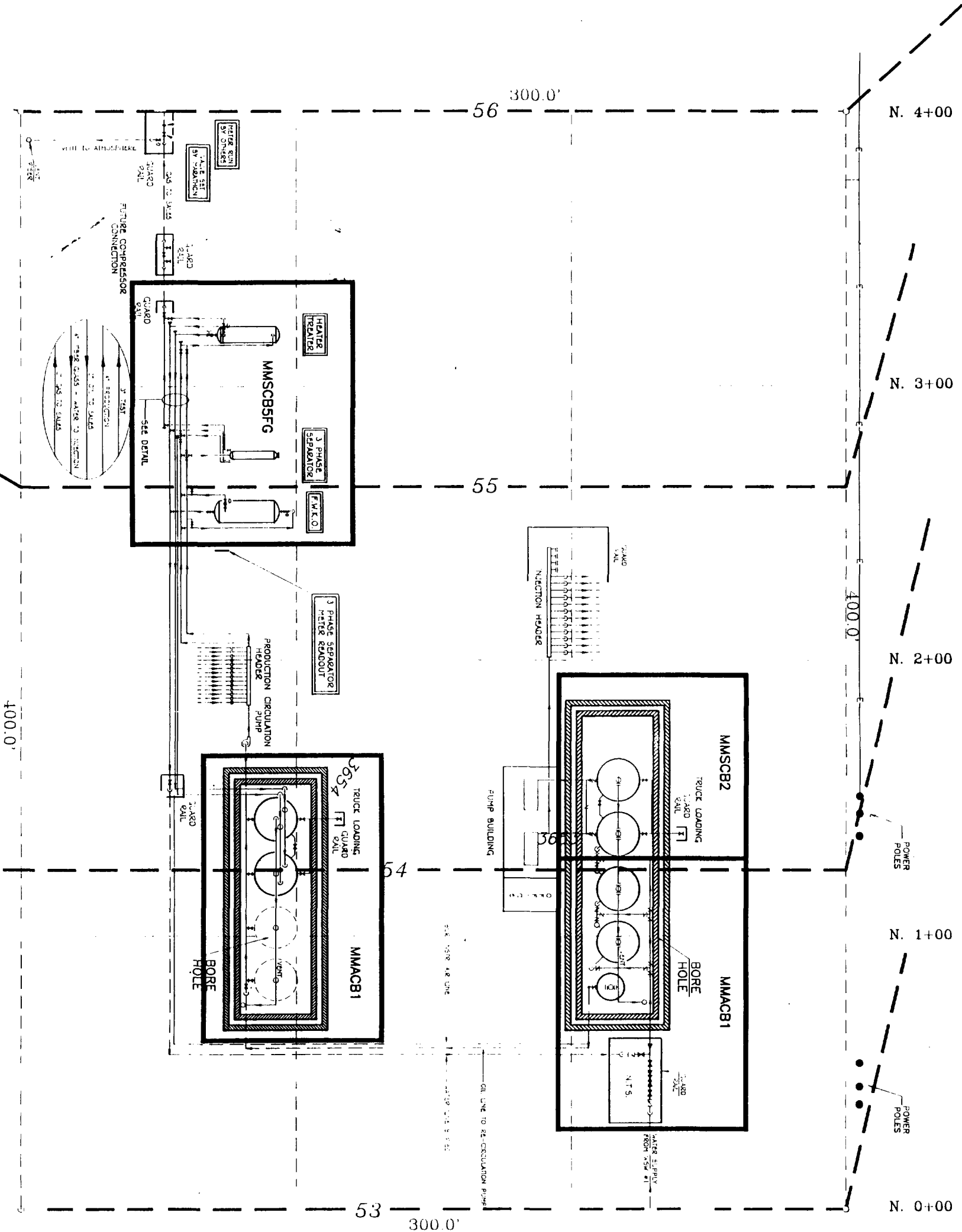
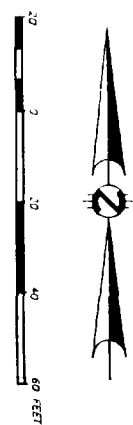
N. 3+00

N. 4+00

W. 1+00

W. 2+00

W. 3+00



MARATHON OIL COMPANY

DRAWING PLAN FOR THE

MCDONALD STATE WELLS CENTRAL BATTERY

LOCATED IN SECTION 16, TOWNSHIP

22 SOUTH, RANGE 36 EAST, N.M.P.M.,

LEA COUNTY, NEW MEXICO

JOHN WEST ENGINEERING CO.

CONSULTANTS

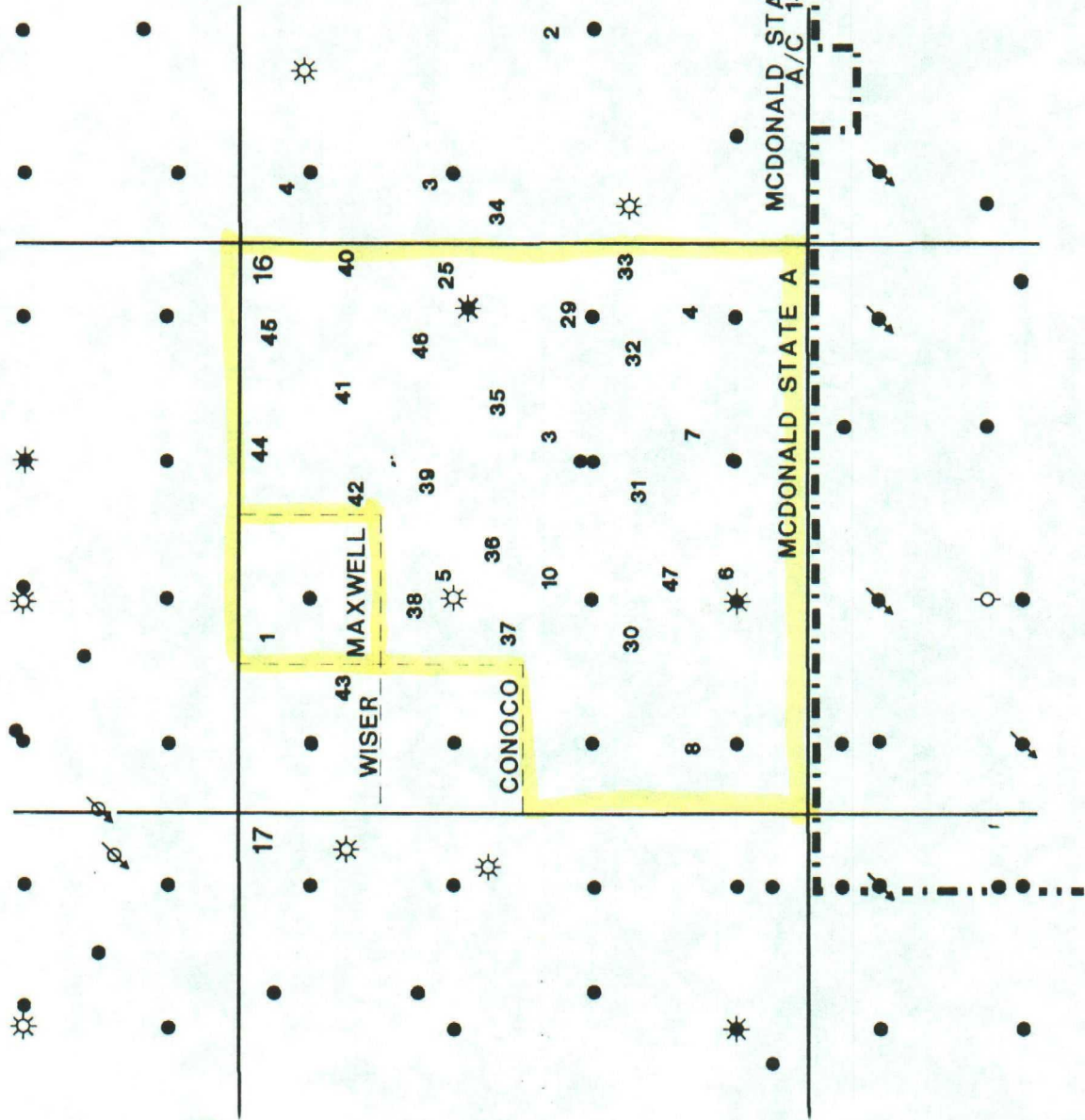
Date	By	Approved By	Sheet	Of
10/1/58	J. West	J. West	1	1

SOUTH EUNICE QUEEN

LEA COUNTY, NEW MEXICO

R 36 E

T 22 S



CONOCO
SEVEN RIVERS, QUEEN UNIT



POOL

NMPPM

A 6x6 grid with numbers 1-36. The numbers are arranged in a boustrophedon pattern: Row 1 (right to left) contains 1-6; Row 2 (left to right) contains 7-12; Row 3 (right to left) contains 13-18; Row 4 (left to right) contains 19-24; Row 5 (right to left) contains 25-30; Row 6 (left to right) contains 31-36. A yellow L-shaped region is highlighted, covering cells 16, 17, 18, 21, 22, and 23. Cell 16 contains a small drawing of a person.

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.