



MARATHON OIL COMPANY
FORMERLY THE OHIO OIL COMPANY

August 2, 1963

P. O. Box 220
Hobbs, New Mexico
88240

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico
87501

Attention: Mr. A. L. Porter, Jr.

Dear Sir:

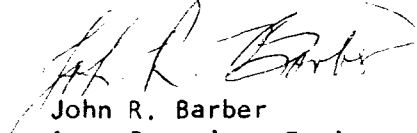
Marathon Oil Company hereby respectfully requests an exception to Rule 303 (a) to permit the commingling in common facilities of production from the two common sources of supply, as described herein, on its State Warn A/c 3 Lease. These two zones are the Vacuum Abo Reef zone and an Undesignated Glorieta zone. Marathon Oil Company is presently in the process of dual completing State Warn A/c 3, Well No. 5 in the two zones mentioned above. The subtraction method of commingling has been proposed for this installation.

Attached hereto is a data sheet relating to gravities, volumes, and values of the liquid hydrocarbons along with a plat of the State Warn A/c 3 Lease and a schematic diagram of the proposed installation. It may be noted that top allowable for each zone has been used in preparing the above data sheet. Marathon Oil Company owns 100 percent working interest in the subject lease.

The Commissioner of Public Lands for the State of New Mexico has been furnished a copy of this application and is requested that he forward his approval of the proposed commingling installation to the Oil Conservation Commission.

Yours very truly,

MARATHON OIL COMPANY
Engineering Department


John R. Barber
Area Petroleum Engineer

JRB:bje

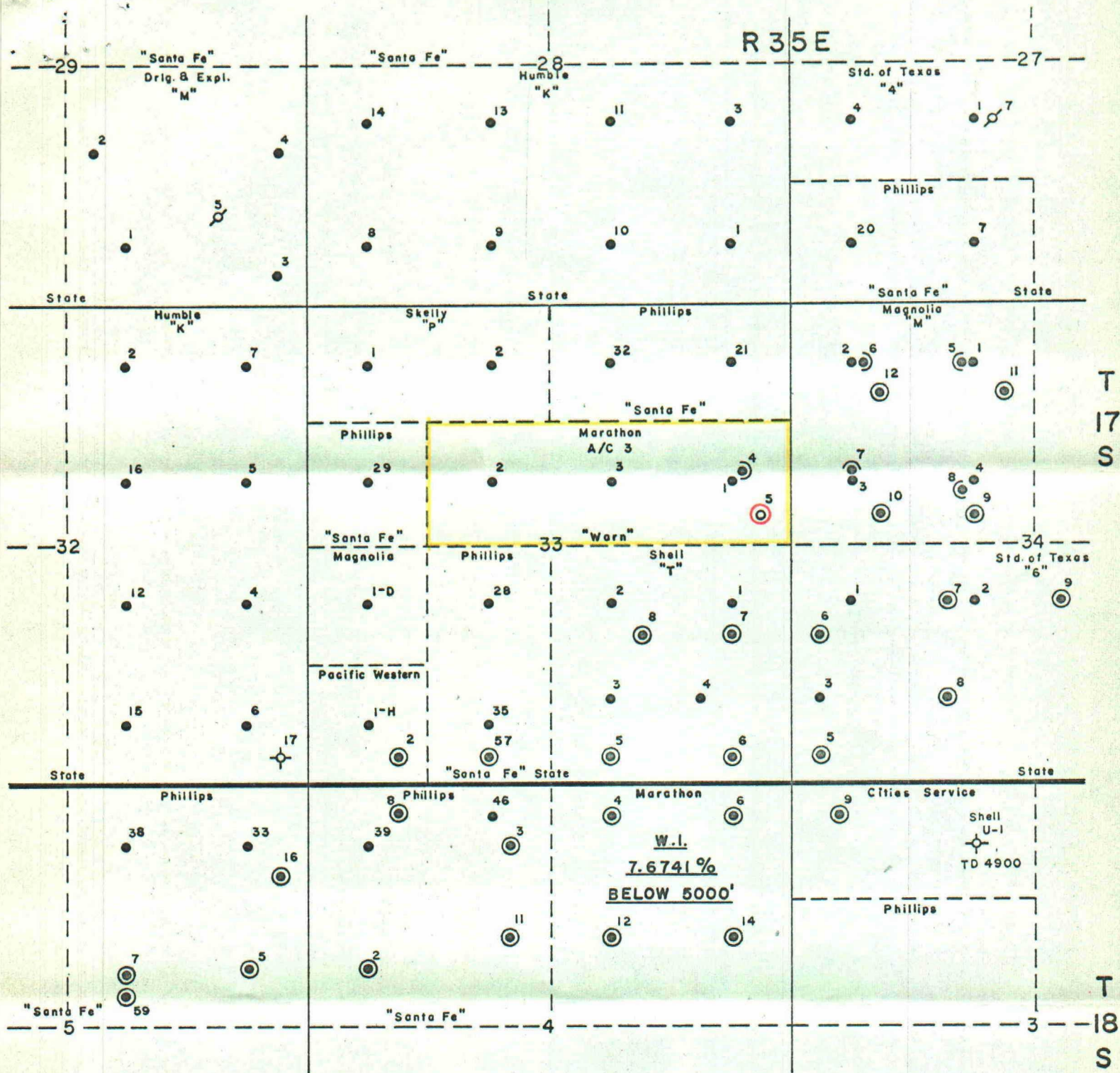
cc: State Land Commissioner
P. O. Box 791
Santa Fe, New Mexico
Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

MARATHON OIL COMPANY
STATE WARN A/C 3 LEASE
SECTION 33-T.17S-R.35E

COMMINGLING DATA

<u>Zone</u>	<u>Top Allow. BOPD</u>	<u>Gravities ° API</u>	<u>Selling Price* Per Bbl (\$)</u>	<u>Income Per Day (\$)</u>
Abo	120	39.9	2.92	350.40
Glorieta	71	37.5	2.86	203.06
Total Value Sold Separately				553.46/Day
Commingled Values	191	39.3	2.92	557.72/Day
Gain in Value by Commingling				4.26/Day

*West Texas Sour



MARATHON OIL COMPANY

"Plat of St. Warn A/C 3 Lease"

Lea County, New Mexico

SCALE: 1" = 1500'

6-10-63

LEGEND

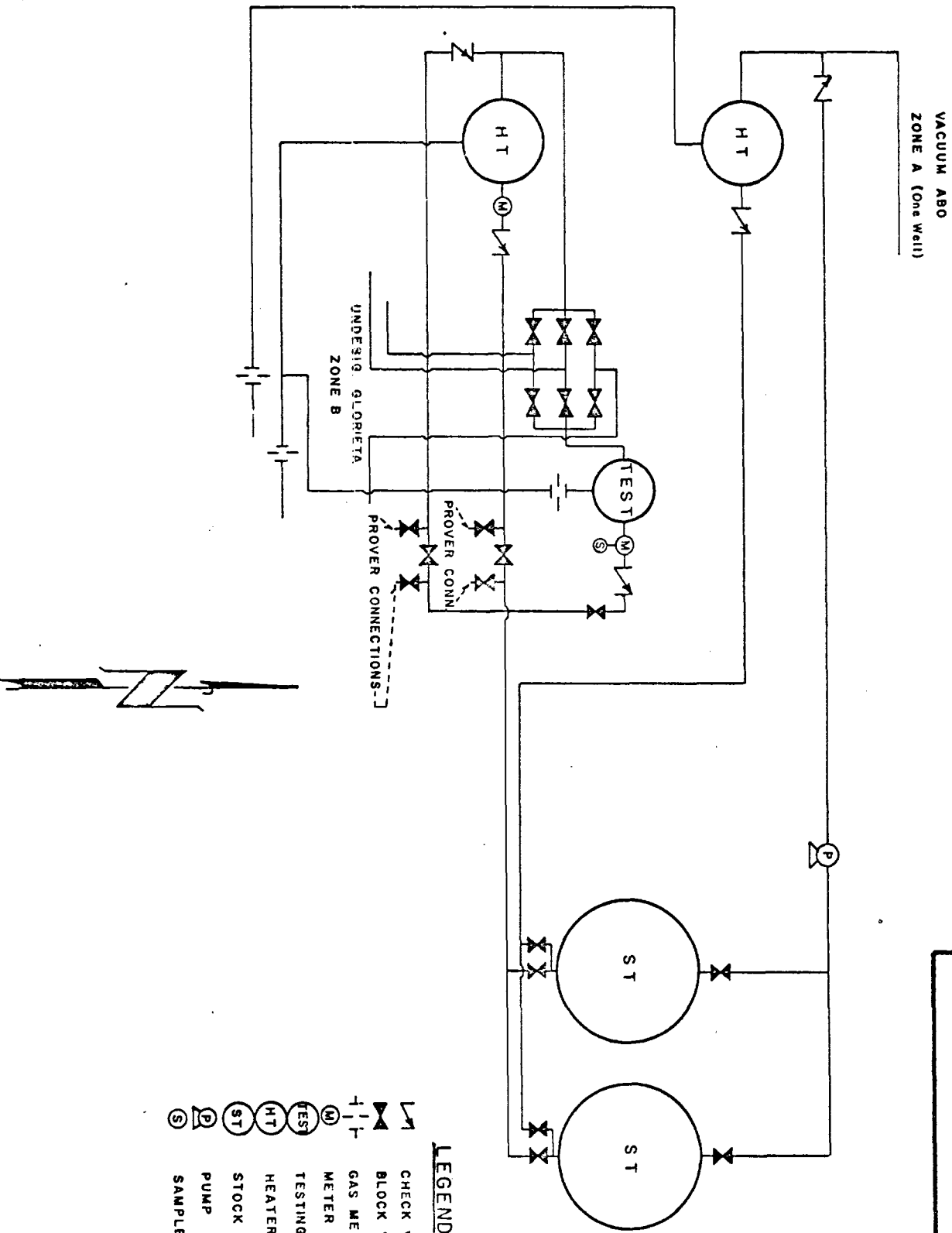
- VACUUM (GRAYBURG-SAN ANDRES)
- ⊙ VACUUM YATES
- ⊖ VACUUM ABO REEF
- ⊕ PROPOSED DUAL COMPLETION (ABO & GLORIETA ZONES)
- DRILLING
- ⊗ TEMPORARILY ABANDONED
- ⊕ PLUGGED & ABANDONED

MARATHON OIL COMPANY

"Proposed Commingling Battery"

St. Worn A/c 3 Lease
 Lea County, New Mexico

SCALE: NONE 7-31-63



August 6, 1963

Marathon Oil Company
P. O. Box 220
Hobbs, New Mexico

RE: Request for permission to commingle production
from Vacuum Abo Reef and Undesignated Glorieta
Zones, Marathon Oil Company's State Warn A/c 3,
Well #5, SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 33, T. 17S, R. 35E, Lea
County.

Gentlemen:

This office approves the above request since the State
stands to gain by commingling. The ownership is common
throughout.

Thank you for the schematic diagram, plot, and other com-
mingling data.

Very truly yours,

E. S. JOENNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

ROMULO MARTINEZ
Oil and Gas Department

RW/RM/po

cc: Oil Conservation Commission
Oil and Gas Accounting Commission