



MARATHON OIL COMPANY

P. O. Box 220  
Hobbs, New Mexico

✓ New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

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 Vacuum Glorieta, North Vacuum Abo, and Vacuum Wolfcamp production on its State Warn A/c 1 lease comprising the NE/4 of the SW/4 and the SE/4 of the NW/4 of Section 31, T.17S, R.35E, Lea County, New Mexico. Commingling is proposed after separately metering the Vacuum Glorieta and North Vacuum Abo production and determining the Vacuum Wolfcamp by means of the subtraction method, allocating the production to the Vacuum Wolfcamp zone by means of periodic tests.

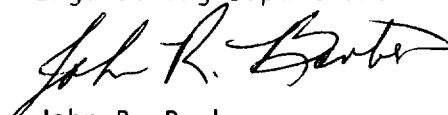
Marathon Oil Company presently has one Glorieta well on the subject lease. However, Well No. 3, now drilling, is a proposed Vacuum Glorieta, North Vacuum Abo and Vacuum Wolfcamp triple. In that the field rules for the North Vacuum Abo and Vacuum Wolfcamp Pools specify 80 acre units, this lease will be fully developed with the completion of the above mentioned triple.

The above described commingling installation will be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," including the installation of non-reset counters on the meters.

Attached hereto is a data sheet relating to gravity, volumes, and values of the liquid hydrocarbons along with a plat of the State Warn A/c 1 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 it 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

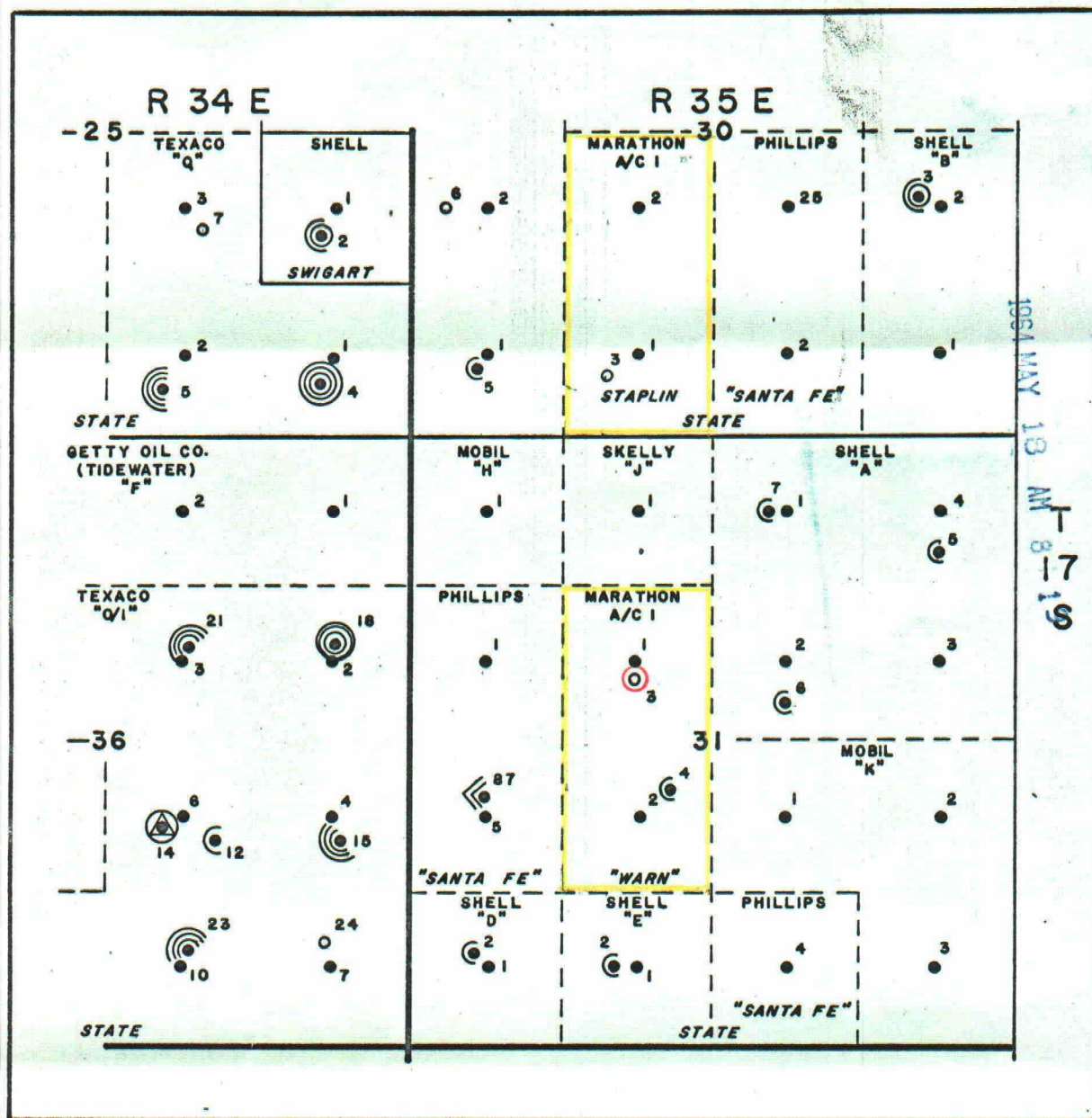
JRB:bje

cc: State Land Comm.  
Box 791, Santa Fe, N.M.  
NMOCC - Hobbs

PC - 276  
NEW MEXICO OIL CONSERVATION COMMISSION  
1964 MAY  
May 15, 1964  
Held 13  
OK  
5/26/64  
RAC

| Zone   | No.<br>Wells | Top<br>Unit<br>Allow.<br>BOPD | Daily<br>Prod.<br>BOPD | Gravity<br>°API | Selling<br>Price*<br>\$/Bbl. | Income<br>Per/Day<br>\$ |
|--|--------------|-------------------------------|------------------------|-----------------|------------------------------|-------------------------|
| Vacuum Glorieta  | 2            | 51                            | 102                    | 38.5            | 2.97                         | 302.94                  |
| North Vacuum Abo   | 1            | 182                           | 182                    | 39.5            | 2.99                         | 544.18                  |
| Vacuum Wolfcamp  | 1            | 182                           | <u>182</u>             | 39.5            | 2.99                         | <u>544.18</u>           |
|  |              |                               | 466                    |                 |                              | 1391.30                 |
| Total revenue from crude sold from<br>separate storage - - - - - |              |                               |                        |                 |                              | \$1391.30               |
| Commingled values  |              |                               | 466                    | 39.3            | 2.99                         | 1393.34                 |
| Gain in value of crude as a result<br>of commingling - - - - -   |              |                               |                        |                 |                              | \$ 2.04/Day             |

\* West Texas Intermediate



1964 MAY 18 AM 8 17 16  
MAIN OFFICE OCC

### LEGEND

- VACUUM GRAYBURG-SAN ANDRES
- ◎ VACUUM BLINEBRY
- ◎ VACUUM GLORIETA
- ◎ DUAL-VACUUM (GLORIETA & BLINEBRY)
- ◎ DUAL-VACUUM (WOLFCAMP) & N. VACUUM (ABO)
- ◎ TRIPLE-VACUUM (WOLFCAMP, PENN) & N. VACUUM (ABO)
- ◎ TRIPLE-VACUUM (WOLFCAMP, GLORIETA) & N. VACUUM (ABO)
- ◎ PROPOSED TRIPLE-VAC. (WOLFCAMP, GLORIETA) & N. VAC. (ABO)
- DRILLING

### MARATHON OIL COMPANY

"Plat of St. Warn A/c 1 Lease"

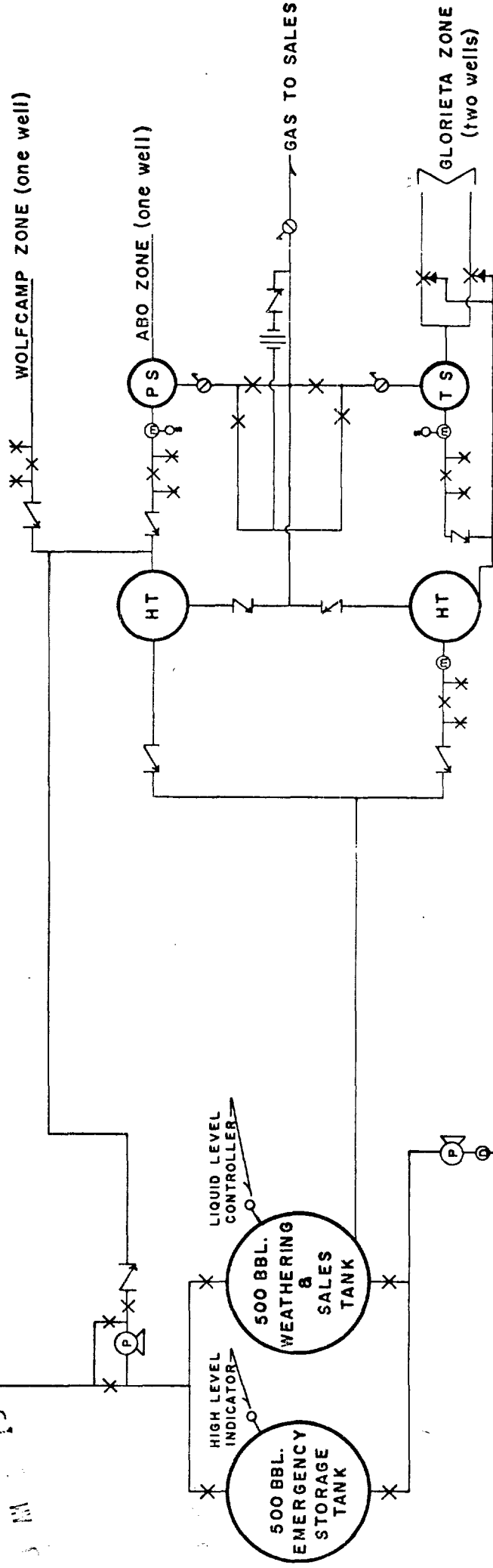
Lea County, New Mexico

Scale: 1" = 1500'

4-24-64

TO PIT

1001 MAY 13 PM 12



LEGEND

- X BLOCK VALVE
- Z CHECK VALVE
- T TWO POSITION-THREE WAY VALVE
- M GAS METER
- M LIQUID METER
- M-SO LIQUID METER & SAMPLER
- P BACK PRESSURE VALVE
- D DEAERATOR
- S STRAINER
- P PUMP
- X-X PROVER OR TEST CONNECTIONS
- TS TEST SEPARATOR
- PS PRODUCTION SEPARATOR
- HT HEATER TREATER

MARATHON OIL COMPANY  
PROPOSED COMMINGLING AND AUTOMATIC CUSTODY TRANSFER BATTERY  
STATE WARM A/C I LEASE  
LEA COUNTY, NEW MEXICO  
SCALE: NONE  
MAY 14, 1964

August 24, 1964

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

Attention: Mr. John R. Barber  
Area Petroleum Engineer

Re: Request to Commingle Vacuum Glorieta,  
North Vacuum Abo, and Vacuum Wolfcamp  
on State Warn A/c 1 Lease, Section 31,  
17S, 35E, Lea County

Gentlemen:

This is to advise that the State Land Office hereby grants your request to commingle the above, according to your plan, that is, by metering the Glorieta and Vacuum Abo and determining the Wolfcamp by the subtraction method.

This, of course, is subject to amendment or withdrawal by the Commissioner of Public Lands if your proposed system is not followed completely and if there should happen to be any loss to the state through this operation.

Very truly yours,

E. S. JOHNNY WALKER  
Commissioner of Public Lands

By

Romulo Martinez  
Oil and Gas Division

ESJW/RM/dh

cc Oil and Gas Accounting Commission  
Oil Conservation Commission