

MARATHON OIL COMPANY

PRODUCTION - UNITED STATES AND CANADA

August 29, 1972 P. O. Box 2409 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(2) to permit the commingling in common facilities of production from the two common sources of supply, as described herein, on its J. M. Denton Lease. These two zones are designated as the Denton Wolfcamp and the Denton Devonian. The Denton Wolfcamp zone consists of five marginal wells and the Denton Devonian consists of four marginal wells. Therefore, the periodic well test method of commingling was 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 Marathon's J. M. Denton Lease and a schematic diagram of the proposed installation. Marathon Oil Company owns 50 percent working interest in the subject lease.

The land involved is fee land.

Yours very truly,

MARATHON OIL COMPANY

Area Petroleum Engineer

MLJ:lt enc.

cc: Oil Conservation Commission P. O. Box 1980 Hobbs, New Mexico 88240

MARATHON OIL COMPANY J. M. DENTON LEASE SECTION 11, T 15S, R 37E

COMMINGLING DATA

ZONE	JUNE 1972 AVG. BOPD	GRAVITIES API	SELLING PRICE \$ PER BBL.
Wolfcamp*	147	42.8°	3.56
Devonian*	639	43.5°	3.56
Commingled Values	786	43.40	3.56

Gain or Loss (\$/Bb1.) by Commingling - None.

^{*}Intermediate sweet.



