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Hobbs, NM 88241-2409
Telephone 505/393-7106

February 9, 1994

Oil Conservation Division
Energy and Mineral Department
Mr. David Catanach
PO Box 2088
Santa Fe, NM 87501

RE: REQUEST FOR EXCEPTION TO RULE 303-A
DOWNHOLE COMMINGLING
WARN STATE A/C 1 NO. 3-F
UNIT F, 2080' FNL & 1908' FWL
SECTION 31, T-17-S, R-35-E
ABO, WOLFCAMP, AND UPPER PENN
VACUUM FIELD
LEA COUNTY, NEW MEXICO

Dear Mr. Catanach:

Marathon Oil Company respectfully requests administrative approval for an exception to Rule 303-A to permit the downhole commingling of the North Vacuum Abo with the previously downhole commingled Vacuum Wolfcamp and Upper Penn formation in Lea County, New Mexico.

Currently, the well is a dual oil well producing up two strings of 2 7/8" casing with 1.9" tubing and 5/8" steel rods (see attached wellbore sketch). Due to this configuration, the well is not being pumped efficiently. The well has experienced many rod and tubing failures resulting in expensive remedial work and lost production. The downhole commingling will allow for one 2 7/8" casing to be rod pumped with larger rods and a vent string to allow the gas to flow to the surface and not up through the pump. Production is expected to be increased due to greater drawdowns and the economic limit reduced, thus resulting in a larger ultimate recovery of oil and gas.

Enclosed is the pertinent data supporting this application and outlined in Rule 303-A. If additional information is necessary, please contact me at (505) 393-7106.

Sincerely,

A handwritten signature in cursive script that reads 'S.P. Guidry'.

S.P. Guidry
Northwest Operations
Production Superintendent

SPG:RDG/9420/kc

Attachments