## **REQUEST FOR EXCEPTION TO RULE 303-A**

## WARN STATE A/C 1 WELL NO. 3 N.VACUUM AND VACUUM FIELDS

- (A) Marathon Oil Company PO Box 2409 Hobbs, NM 88240
- (B) Warn State A/C 1 Well No. 3 Unit F, 2080' FNL & 1908' FWL Section 31, T-17-S, R-35-E Lea County, New Mexico Commingle Zones: Abo Wolfcamp Upper Penn
- (C) A plat of the area is attached showing the lease and offset operations. Also attached is a C-102 for each formation.
- (D) The Form C-116 for each of the formations is attached. The allocated production for each pool will be based upon the current production declines and the latest GOR tests.
- (E) Production curves for both the Abo, Wolfcamp and Upper Penn are attached.
- (F) Estimated bottomhole pressure for each zone: Abo - 700 psi Upper Penn - 500 psi Wolfcamp - 500 psi
- (G) Marathon has commingled the fluids at the surface and has encountered no incompatibility problems.
- (H) If the downhole commingling is approved, the rod pumping system will become more efficient due to improved gas venting of the pump, increase the reservoir drawdown and reduce costly failures. The ultimate recoveries of oil and gas will be increased due to a lower economic unit.