



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

FOR RECORD ONLY

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

AMENDED ADMINISTRATIVE ORDER DHC-1097

Marathon Oil Company
P.O. Box 2490
Hobbs, New Mexico 88240

Attention: Mr. Andrew J. Schwandt

*McCallister State No. 11
API No. 30-025-32647
Unit K, Section 25, Township 17 South, Range 34 East, NMPM,
Lea County, New Mexico.
North Vacuum-Abo (Oil - 61760),
Vacuum-Wolfcamp (Oil - 62340),
Vacuum-Upper Penn (Oil - 62320) and
Vacuum-Blinebry (Oil - 61850) Pools*

Dear Mr. Schwandt:

Reference is made to your recent application for an amendment to Division Order No. DHC-1097 dated March 6, 1995, which order authorized the downhole commingling of North Vacuum-Abo, Vacuum-Wolfcamp and Vacuum-Upper Penn Pool production within the wellbore. It is our understanding that the Vacuum-Blinebry Pool will be completed as the fourth commingled zone in the well.

It appearing that the subject well qualifies for approval for such amendment pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C., the daily allowable producing rates from the well are hereby established as follows:

Oil 142 B/D

Gas 284 MCF/D

Water 284 B/D

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Amended Administrative Order DHC-1097

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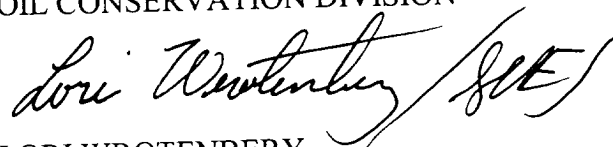
Vacuum-Blinebry Pool	Oil-45%	Gas-32%
<i>M</i> Vacuum-Abo Pool	Oil-19%	Gas-29%
Vacuum-Wolfcamp Pool	Oil-25%	Gas-32%
Vacuum-Upper Penn Pool	Oil-11%	Gas-7%

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 11th day of May, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Hobbs /
State Land Office-Oil & Gas Division