

WELL-FILE

Houston, Texas
Production Operations, United States



**Marathon
Oil Company**

P.O. Box 2490
Hobbs, New Mexico 88240
Telephone 505/393-7106

January 5, 1999

Mr. Chris Williams
District I Supervisor
Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88240

Re: Request for Exception to Rule 303-A
Downhole Commingling
McCallister St. No. 11
UL "K", 1927' FSL & 2134' FWL
Sec. 25, T-17-S, R-34-E
Blinebry, Abo, Wolfcamp and Upper Penn Pools
Vacuum Field
Lea County, New Mexico

Dear Mr. Williams:

This letter is to confirm that Marathon Oil Company received a 90 day verbal approval for an exception to Rule 303-A to permit the downhole commingling of production in the above subject well from the Vacuum Blinebry; Vacuum, Abo; and Vacuum, Wolfcamp; Vacuum, Upper Penn pools. The approval will go into effect upon the addition of the Vacuum, Blinebry.

The Abo, Wolfcamp and Upper Penn zones are currently commingled (DHC-120), and are reaching the producible economic limit. For this reason, Marathon is requesting to downhole commingle the Abo, Wolfcamp, Upper Penn and Blinebry to maximize the economical production from the well. Rod pumping equipment will be utilized to keep the PBHP as low as possible to prevent crossflow.

Enclosed is pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please advise. *MARATHON WILL APPLY FOR DOWNHOLE AFTER 90 DAY test. CW.*

Sincerely,

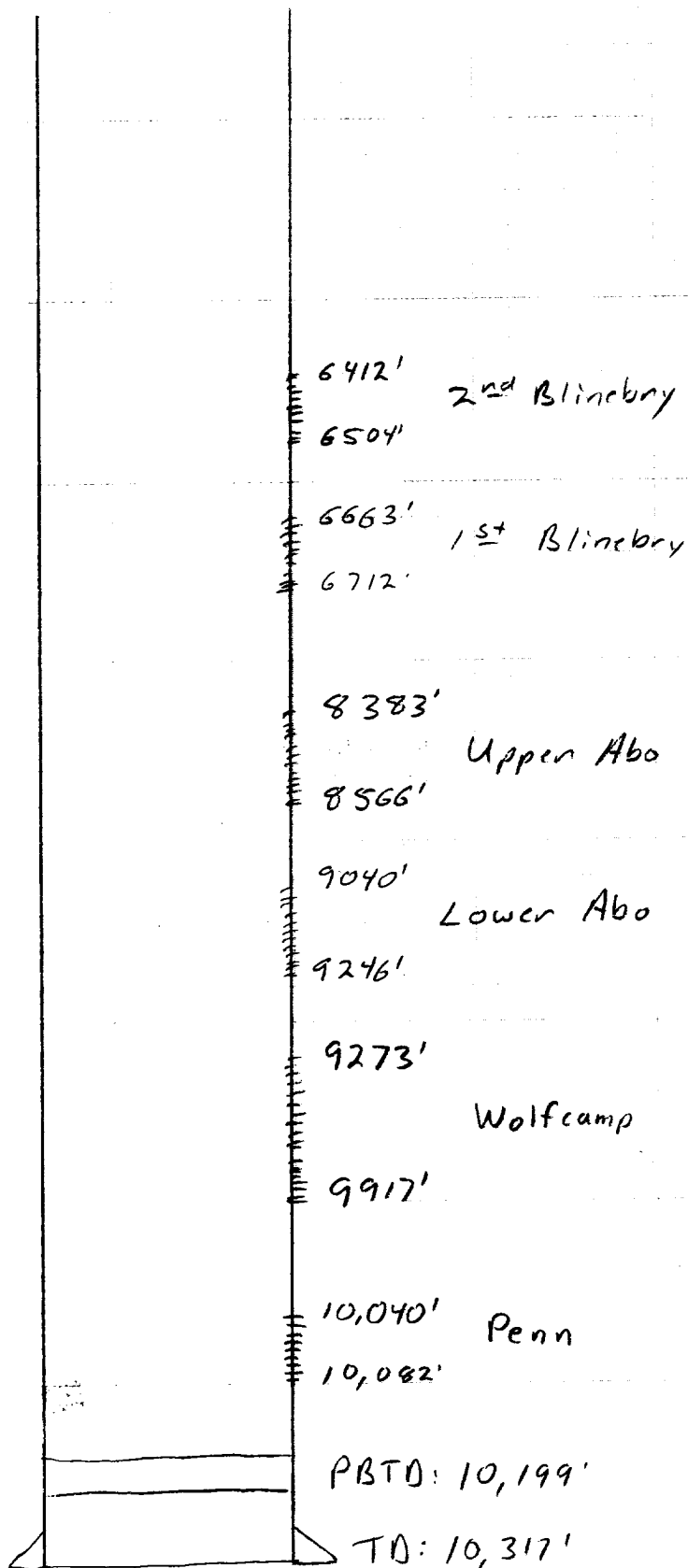
A handwritten signature in cursive script, appearing to read 'A. J. Schwandt'.

Andrew J. Schwandt
Production Engineer
(505) 393-7106

n:\reglatory\commingling\dhc\coverpag\MCAL11_i
Enclosure

Subject	McCallister Sec. No. 11 - DHC		Page No.	Of
File		By	AJS	Date 1-5-99

KB: 4,026'
GL: 4,013'



State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
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OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

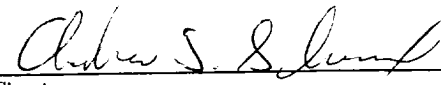
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-25-32647		² Pool Code 61850	³ Pool Name Vacuum; Blinebry
⁴ Property Code 6431	⁵ Property Name McCallister State		⁶ Well Number 11
⁷ OGRID No. 014021	⁸ Operator Name Marathon Oil Company		⁹ Elevation GL 4008 KB 4026

¹⁰ Surface Location									
UL or lot no. K	Section 25	Township 17S	Range 34E	Lot. Idn	Feet from the 1945	North/South Line South	Feet from the 850	East/West line West	County Lea

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Andrew J. Schwandt Printed Name Production Engineer Title 1-5-99 Date
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey Signature and Seal of Professional Surveyer: Certificate Number

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-32647	² Pool Code 62320	³ Pool Name Vacuum - U. Penn
⁴ Property Code 6431	⁵ Property Name McCallister State	⁶ Well Number 11
⁷ OGRID No. 14021	⁸ Operator Name Marathon Oil Company	⁹ Elevation 4013'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
K	25	17S	34E		1927'	South	2134'	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County

¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-32647	² Pool Code 62340	³ Pool Name Vacuum - Wolfcamp
⁴ Property Code 6431	⁵ Property Name McCallister State	⁶ Well Number 11
⁷ OGRID No. 14021	⁸ Operator Name Marathon Oil Company	⁹ Elevation 4013'

¹⁰ Surface Location									
UL or lot no. K	Section 25	Township 17S	Range 34E	Lot. Idn	Feet from the 1927'	North/South Line South	Feet from the 2134'	East/West line West	County Lea

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
¹² Dedicated Acres 80									
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-32647		² Pool Code 61760		³ Pool Name Vacuum - Abo	
⁴ Property Code 6431		⁵ Property Name McCallister State			⁶ Well Number 11
⁷ OGRID No. 14021		⁸ Operator Name Marathon Oil Company			⁹ Elevation 4013'

¹⁰ Surface Location

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<p>The diagram shows a grid of sections. A rectangular area is outlined with dimensions 2134' (width) and 1927' (height). To the left of this area, it says '160 Acre Lease' with an arrow pointing to the area. To the right, it says '80 Acres Dedicated' with an arrow pointing to the outlined area. The grid lines are marked with 'X's.</p>				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Andrew J. Schwandt Printed Name Production Engineer Title 1-5-99 Date	
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