



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

November 17, 1994

Mr. Pete Martinez
Commissioner of Public Lands
State Land Office Building
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Re: Request for Exception to Rule 303-A
Downhole Commingling
Marathon Oil Company
Staplin State A/C 1 No. 6
UL "N" 525' FSL, 1980' FWL
Section 30, T-17-S, R-35-E
Upper Penn, Wolfcamp, Abo
Vacuum Field
Lea County, New Mexico

Dear Mr. Martinez:

Marathon Oil Company requests administrative approval for an exception to Rule 303-A to permit the downhole commingling of production in the above subject well from the Vacuum (Upper Penn), Vacuum (Wolfcamp) and Vacuum (Abo) Pools in Lea County, New Mexico.

The Upper Penn Pool was tested when the well was completed. A CIBP was set isolating the Penn from the Wolfcamp during the Wolfcamp completion. Based on log evaluation and historic offset production, commercial Abo production is anticipated. The three zones have been downhole commingled in offset production with no loss of product value or production. By commingling production from the three zones, production will be realized that could not economically justify the cost of equipment to segregate the zones. Rod pumping equipment will be utilized which will keep the PBHP as low as possible preventing crossflow.

Enclosed is pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please contact me at (915) 682-1626.

Sincerely,

A handwritten signature in cursive script that reads 'Thomas M. Price'.

Thomas M. Price
Advanced Engineering Technician

TMP/9415/r

Enclosure