

P.O. Box 2409 Hobbs, NM 88241-2409 Telephone 505/393-7106

November 2, 1995

Mr. William J. Lemay, Director State of New Mexico Oil Conservation Division PO Box 2088 Santa Fe NM 87504-2088 PLC-115

RE: Application for Surface Commingling

Royal State No. 1 Sec. 33, T-17-S, R-35-E 2210' FSL & 1310' FEL Lea County Blinebry (Wildcat)

Warn State A/C 3 No. 10 Sec. 33, T-17-S, R-35-E 2150' FNL & 500' FEL Lea County Vacuum; Blinebry, East

Mr. Lemay:

Marathon Oil Company respectfully requests the State of New Mexico Oil Conservation Division to grant administrative approval for surface commingling for the above mentioned leases.

Marathon Oil Company plans to produce the two wells to a common stock tank battery with separate metering facilities prior to commingling. The common battery will be the currently operated Warn State A/C 3 No. 10 facility. The proposed production operation is in accordance with the applicable provisions.

Please find attached a lease commingling plat and a production facility schematic. Please note that the pool, the revenue interest, and the value of the oil is consistent between the two leases.

If you have any questions or comments, please advise.

Sincerely,

Bryan L. Williams Production Engineer (505) 393-7106 ext. 212

Began To. William

123456789707772333 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 1995 100 19