

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MARALO, LLC

3a. Address

P. O. BOX 832, MIDLAND, TX 79702

3b. Phone No. (include area code)

(915) 684-7441

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

5. Lease Serial No.

NM-85937, NM-64606, NM-85933

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NMM-84611B, NMM-85327

8. Well Name and No.

SEE ATTACHED

9. API Well No.

SEE ATTACHED

10. Field and Pool, or Exploratory Area

SEE ATTACHED

11. County or Parish, State

LEA COUNTY, NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

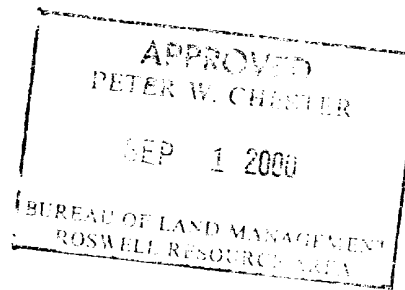
☐ Water Shut-Off

☐ Well Integrity

☒ Other OFF LEASE MEASUREMENT,
STORAGE & SURFACE
COMINGLING

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

PLEASE SEE ATTACHED APPLICATION FORMAT WITH ACCOMPANYING SCHEMATICS AND MAP FOR SURFACE COMINGLING, OFF LEASE STORAGE AND MEASUREMENT APPROVAL.



2000 AUG 21 P 3:09

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

DOROTHEA LOGAN

Title REGULATORY ANALYST

Signature

Date AUGUST 18, 2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING,
OFF LEASE STORAGE AND MEASUREMENT APPROVAL

This Format Should Be Attached To A Sundry Notice

To: Bureau of Land Management
P. O. Box 1778
Carlsbad, New Mexico 88221-1778

MARALO, LLC (Operator's Name) is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NM-85937, NM-64606 ; Lease Name: PROHIBITION FEDERAL UNIT

	<u>Well No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>Le. NM85937</u>	<u>1</u>	<u>1980' FNL & 660' FNL</u>	<u>12</u>	<u>22S</u>	<u>32E</u>	<u>BOOTLEG RIDGE; DELAWARE, NW</u>
<u>Le. NM64606</u>	<u>3</u>	<u>1980' FNL & 990' FEL</u>	<u>12</u>	<u>22S</u>	<u>32E</u>	<u>RED TANK; BONE SPRING</u>
<u>LA #NM84611B</u>	<u>4</u>	<u>2310' FNL & 1980' FEL</u>	<u>14</u>	<u>22S</u>	<u>32E</u>	<u>RED TANK; DELAWARE, W.</u>
<u>LA #NM84611B</u>	<u>6</u>	<u>2310' FNL & 990' FEL</u>	<u>14</u>	<u>22S</u>	<u>32E</u>	<u>RED TANK; DELAWARE, W.</u>

with hydrocarbon production from the following formation(s) and well(s) on Federal lease No. NM-85933 ; Lease Name: BILBREY "34" FEDERAL
CA #NM85327

	<u>Well No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
	<u>1</u>	<u>1980' FNL & 660' FNL</u>	<u>34</u>	<u>21S</u>	<u>32E</u>	<u>BILBREY; MORROW</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Production from the wells involved is as follows:

<u>API NO.</u>	<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
<u>30-025-31137</u>	<u>PROHIBITION FED UT #1</u>	<u>10</u>	<u>40.9</u>	<u>12</u>
<u>30-025-32142</u>	<u>PROHIBITION FED UT #3</u>	<u>7</u>	<u>40.0</u>	<u>22</u>
<u>30-025-32758</u>	<u>PROHIBITION FED UT #4</u>	<u>8</u>	<u>40.6</u>	<u>13</u>
<u>30-025-32760</u>	<u>PROHIBITION FED UT #6</u>	<u>12</u>	<u>40.6</u>	<u>29</u>
<u>30-025-31120</u>	<u>BILBREY "34" FED #1</u>	<u>0</u>	<u>-0-</u>	<u>59</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Continued ...

Continued:

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at ^{PROHIBITION FED UT #4} SM4 NE-1/4, Sec. 14, T 22 S, R 32 E, on lease No. MM-85937, LEA County, New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources is as follows:

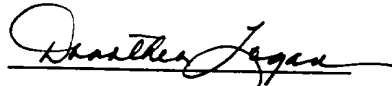
PRODUCTION FROM EACH LEASE IS SEPARATELY METERED PRIOR TO COMMINGLING IN ACCORDANCE WITH BLM APPLICABLE PROVISIONS.

The working interest owners have been notified of the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Signature: 

Name: DOROTHEA LOGAN

Title: REGULATORY ANALYST

Date: AUGUST 17, 2000

PROHIBITION FEDERAL UNIT BATTERY (LOCATED AT WELL #4)

SW/4 NE/4 SECTION 14, T-22-S - R-32-E 2310' FNL & 1980' FEL

PROHIBITION FEDERAL UNIT #6

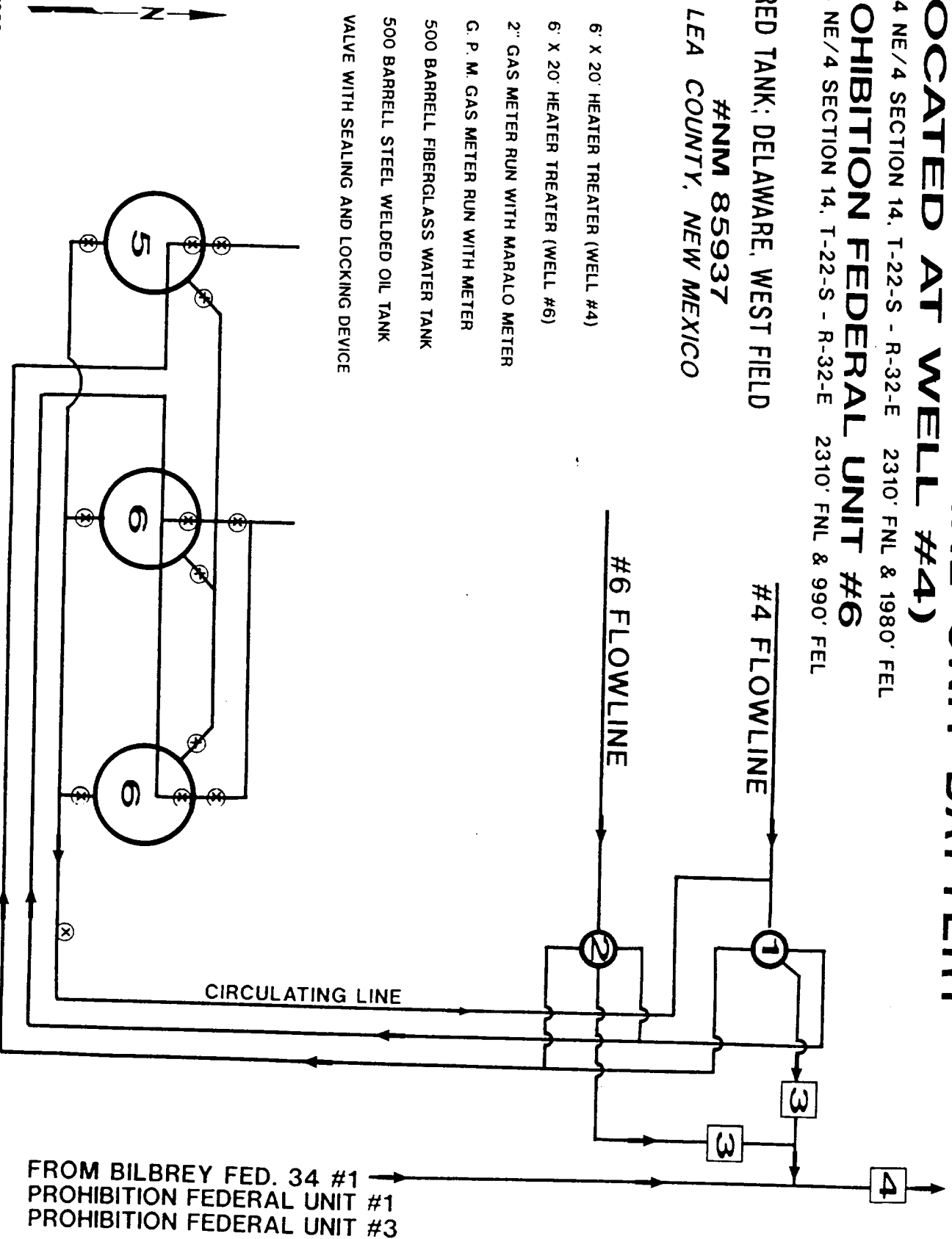
SE/4 NE/4 SECTION 14, T-22-S - R-32-E 2310' FNL & 990' FEL

RED TANK: DELAWARE, WEST FIELD

#NM 85937

LEA COUNTY, NEW MEXICO

1. 6' X 20' HEATER TREATER (WELL #4)
2. 6' X 20' HEATER TREATER (WELL #6)
3. 2" GAS METER RUN WITH MARALO METER
4. G. P. M. GAS METER RUN WITH METER
5. 500 BARRELL FIBERGLASS WATER TANK
6. 500 BARRELL STEEL WELDED OIL TANK
- (X) VALVE WITH SEALING AND LOCKING DEVICE



FROM BILBREY FED. 34 #1
PROHIBITION FEDERAL UNIT #1
PROHIBITION FEDERAL UNIT #3

PROHIBITION FEDERAL UNIT #1

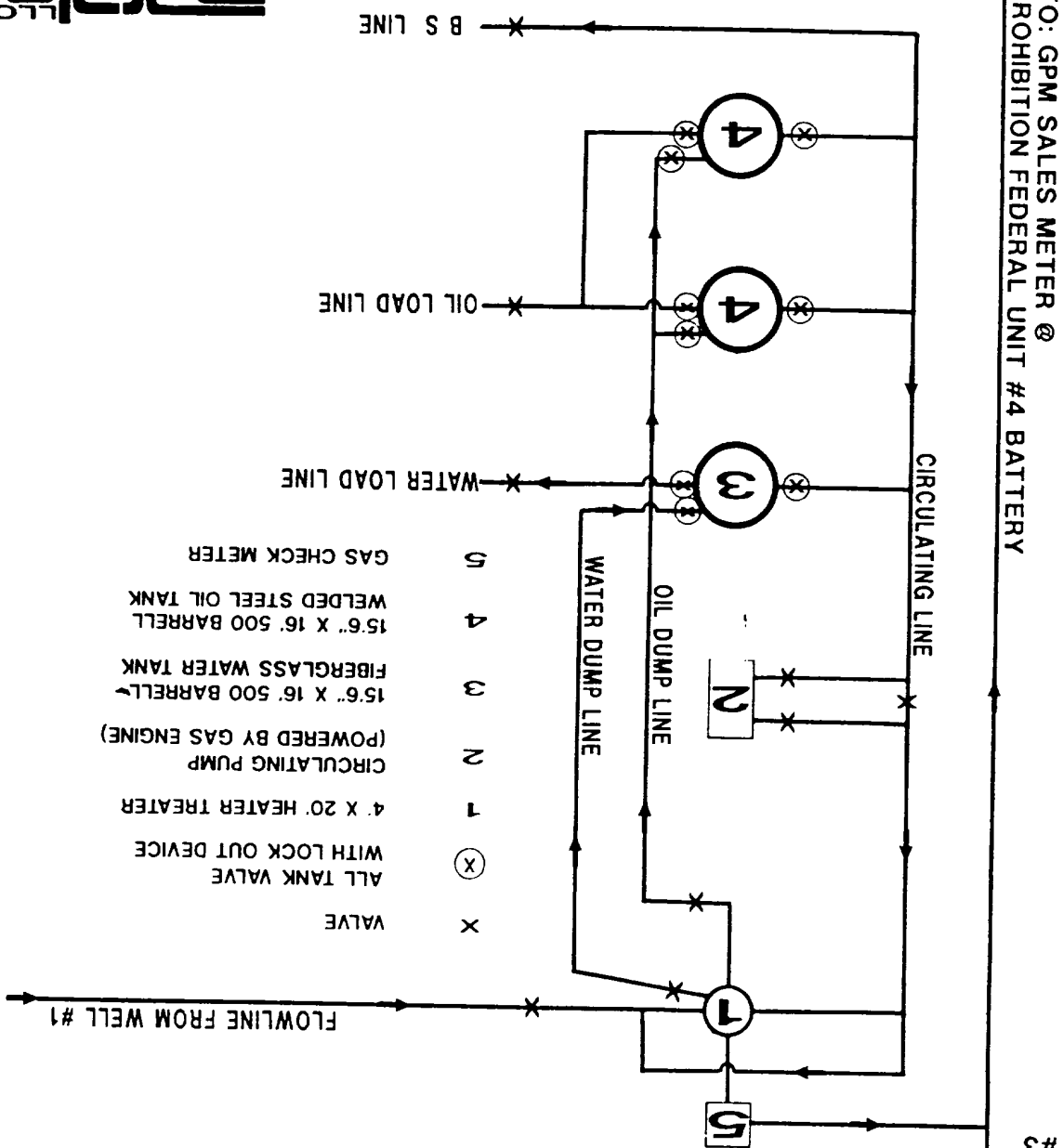
BOOTLEG RIDGE, DELAWARE, NW FIELD

NM#85937

1980' FNL & 660' FWL
SECTION 12, T-22-S - R-32-E

LEA COUNTY, NEW MEXICO

GAS SALES FROM
BILBREY "34" FEDERAL #1
PROHIBITION
FEDERAL UNIT #3
GAS SALES FROM



VALVE X
ALL TANK VALVE WITH LOCK OUT DEVICE
4' X 20' HEATER TREATER
CIRCULATING PUMP (POWERED BY GAS ENGINE)
15.6" X 16' 500 BARRELL FIBERGLASS WATER TANK
15.6" X 16' 500 BARRELL WELDED STEEL OIL TANK
GAS CHECK METER

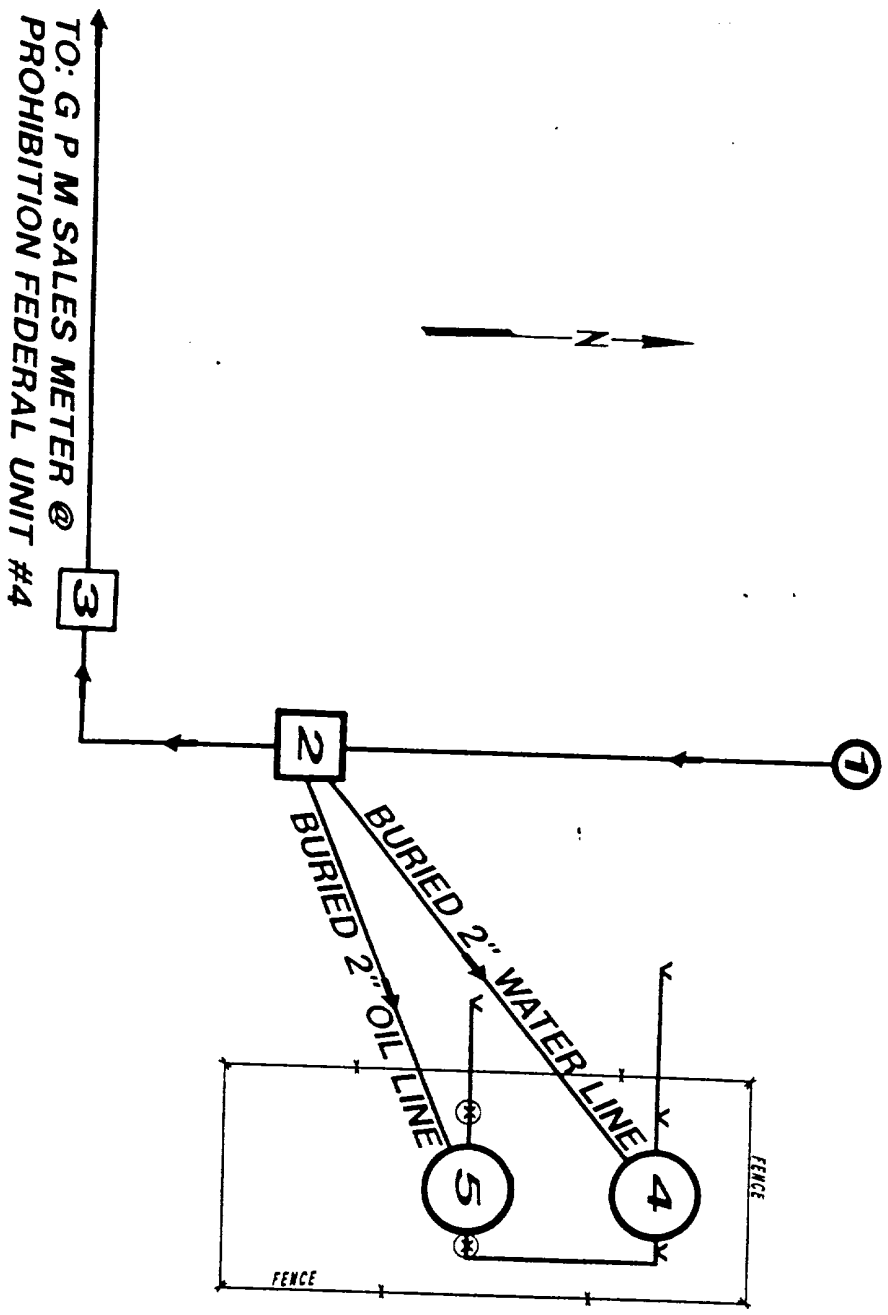


JAN. 1999
(NOT TO SCALE)

PROHIBITION FEDERAL UNIT #3

NM#64606

1980' FNL & 990' FEL, SECTION 12, T-22-S - R-32-E
RED TANK: BONE SPRING
 LEA COUNTY, NEW MEXICO



- 1. WELLHEAD
- 2. GAS PRODUCTION UNIT
- 3. METER RUN
- 4. 210 BARREL FIBERGLASS WATER TANK
- 5. 300 BARREL STEEL OIL TANK
- V VALVE
- (X) VALVE WITH LOCKOUT DEVICE

