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September 9, 1994

State of New Mexico Oil Conservation Division Energy and Mineral Department Mr. David Catanach PO Box 2088 Santa Fe, NM 87501

> RE: REQUEST FOR EXCEPTION TO RULE 303-A DOWNHOLE COMMINGLING EDITH BUTLER "B" WELL NO. 1 UNIT I, 1980' FSL & 660' FEL SECTION 13, T-22-S, R-37-E BLINEBRY AND DRINKARD FORMATIONS DRINKARD FIELD LEA COUNTY, NEW MEXICO

Dear Mr. Catanach:

Marathon Oil Company respectfully requests administrative approval for an exception to Rule 303-A to permit the downhole commingling of the Tubb and Drinkard formations in the above mentioned well.

Currently, the well is a Tubb-Drinkard dual producer with the Tubb flowing up the casing and the Drinkard on plunger lift below a packer (see attached wellbore sketch). It is proposed that the packer isolating the two zones be removed thus downhole commingling the Tubb and Drinkard. Both zones will be plunger lifted or rod pumped. The Tubb is currently loaded up, being unable to remove liquids up the casing and the Drinkard is being produced inefficiently under a packer. The downhole commingling of the two zones will allow for both zones to be produced to a lower abandonment pressure and recover additional reserves hereby minimizing waste.

Enclosed is the pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please contact Rick Gaddis at (505) 393-7106 ext 201.

Sincerely,

T.A. Deines Northwest Operations Production Superintendent

RDG:TAD/94107/kc Attachments