Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

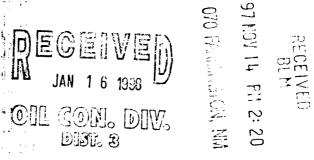
FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. Tract 251 Contract 154 SUNDRY NOTICES AND REPORTS ON WELLS : 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT - " for such proposals Jicarilla Apache 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE Type of Well Oil X Gas Well Well : 4 8. Well Name and No. Jicarilla Apache 16 2. Name of Operator DHC #1223 Marathon 011 Company 9. API Well No. 3. Address and Telephone No. 30-039-20529 P.O. Box 2409 Hobbs, NM 88240 (505) 393-7106 10. Field and Pool, or exploratory Area 4. Location of Well (Pootage, Sec., T., R., M., or Survey Description) Jicarilla. Basin Dakota / Mesa Verde UL I, Sec. 34, T-26-N, R-5-W 131 1600' FNL and 900' FWL 11. County or Parish, State Rio Arriba NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Abandonment X Notice of Intent Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off **Final Abandonment Notice** Altering Casing Conversion to Injection Other Downhole Commingle Dispose Water Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

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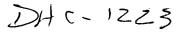
Marathon 011 Company proposes to pull the coil tubing and release the packer, and rerun a single string of tubing to more efficiently downhole commingle the above referenced well. (Downhole Commingle No. 1223.)

Please see the attachment for summary of work to be performed.



4. I hereby certify that the foregoing is true and correct	A Company of the comp	
Signed Stilly Cook	Title Records Processor	Dato 11/12/97
(This space for Pederal or State of the use) Approved by Oz.	This Chief, Lands and Mineral Resources	JAN 1 3 1998
Conditions of approval, if any:		

Title 18 U.S.C. Section 1001, makes 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





Jicarilla Well No. 16 Pull Coil Tubing & Packer. Rerun single string of tubing.

Procedure

- 1. MIRU Coil Tubing Unit. POOH with 1.5" coil tubing. RDMO CTU.
- 2. MIRU PU. ND wellhead and NU BOP equipment.
- 3. Release packer and POOH, laying down packer. If packer came out, go to Step # 8.
- 4. If packer will not release, RU wireline company. Freepoint tubing. Set plug in profile below packer. Cut tubing just above Freepoint. RD wireline company.
- 5. POOH with tubing. PU washpipe and TIH to just above fish. RU air foam unit.
- 6. Wash over fish to top of packer. Circulate hole clean. POOH with washpipe.
- 7. TIH with overshot and latch onto fish. Release packer and POOH, laying down fish.
- 8. TIH with bit to top of fill. RU air foam unit. Clean out fill to PBTD. POOH.
- 9. TIH with RBP and packer. Set RBP below Dakota perforation and packer above Dakota perforation. Acidize Dakota perforations.
- 10. Release packer. Go down hole and latch and release RBP. PU to below the Mesa Verde perforations. Set RBP below Mesa Verde perforation and packer above Mesa Verde perforation. Acidize Mesa Verde perforations.
- 11. Release packer. Go down hole and latch and release RBP. POOH, laying down RBP and packer.
- 12. TIH with collar and SN on 2 3/8" production tubing. Land tubing at the top Dakota perforation.
- 13. ND BOP equipment and NU wellhead. RDMO PU.
- 14. Open well and test.