

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address MARATHON OIL CO 5555 SAN FELIPE ST HOUSTON , TX 77056		2. OGRID Number 14021
		3. API Number 30-025-37751
4. Property Code 35506	5. Property Name SOUTH EUNICE 26 STATE	6. Well No. 001

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	26	22S	36E	I	2310	S	990	E	LEA

**8. Pool Information**

Wildcat San Andres	0
Wildcat Grayburg	0
Wildcat Paddock	0

**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3463
14. Multiple Y	15. Proposed Depth 6000	16. Formation Paddock	17. Contractor	18. Spud Date 4/8/2006
Depth to Ground water 60	Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000	
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12      mils thick      Clay <input type="checkbox"/> Pit Volume: 2000      bbls      Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	11	8.625	24	1250	750	0
Prod	7.875	5.5	15.5	6000	1200	0

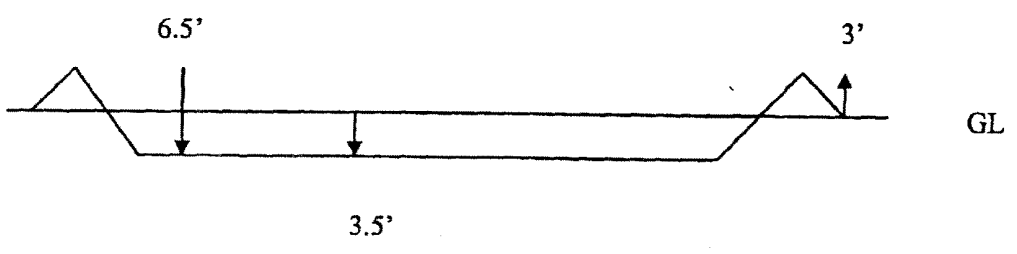
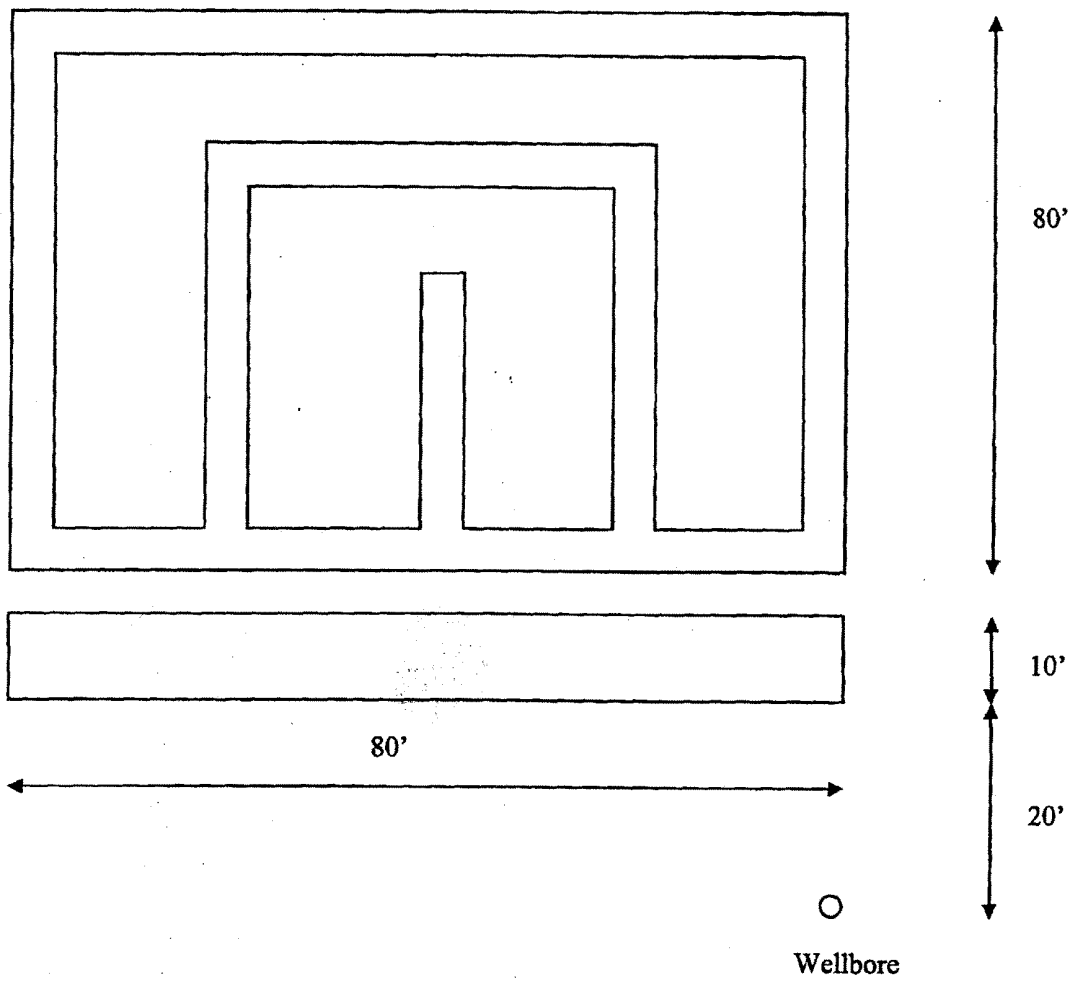
**Casing/Cement Program: Additional Comments**

Surface cement- 750 sks. Class C w/ 2% CACL, 1.34 yield, 14.8 ppg. wt.. Cement production casing- Lead- 800 sks., Interfill C, yield 2.52, 11.8 ppg. wt. Tail- 400 sks. Class H w/ Thirotropic & gilsonite, 1.31 yield, 14.2 ppg. wt.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Chris Williams	
	Title: District Supervisor	
	Approved Date: 3/15/2006	Expiration Date: 3/15/2007
	Printed Name: Electronically filed by Charles Kendrix	
	Title: Engineering Technician	
Email Address: cekendrix@MarathonOil.com		
Date: 3/15/2006	Phone: 713-296-2096	Conditions of Approval Attached



DISTRICT I  
1220 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name <i>SAN ANDRES WILDCAT</i>
Property Code <i>35241</i>	Property Name SOUTH EUNICE STATE 26		Well Number 3
OGRID No. <i>14021</i>	Operator Name MARATHON OIL COMPANY		Elevation 3463'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	26	22-S	36-E		2310	SOUTH	990	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres <i>40</i>	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=497101.2 N X=840621.1 E</p> <p>LAT.=32°21'42.56" N LONG.=103°13'48.76" W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>Frank M. Krugh</i> 3/15/06 Signature Date</p> <p>FRANK M. KRUGH Printed Name</p> <p><i>Rg. Comp. Rep. III</i></p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>FEBRUARY 15, 2006 Date Surveyed DSR</p> <p><i>Gary A. Edson</i> 2/23/06 Signature &amp; Seal of Professional Surveyor</p> <p>06.11.0297</p>
	<p>Certificate No. GARY EIDSON 12841</p>

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WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name
			GRAYBURG WILDCAT
Property Code	Property Name		Well Number
35241	SOUTH EUNICE STATE 26		3
OGRID No.	Operator Name		Elevation
14021	MARATHON OIL COMPANY		3463'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	26	22-S	36-E		2310	SOUTH	990	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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	<p><b>SURVEYOR CERTIFICATION</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>FEBRUARY 15, 2006 Date Surveyed DSR</p> <p><i>Gary E. Edson</i> Signature &amp; Seal of Professional Surveyor</p> <p>06.11.0297</p>	
	<p>Certificate No. GARY EIDSON 12641</p>	

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WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code 35241		Property Name Paddock WILDCAT	
OGRID No. 14021		Well Number 3	Elevation 3463'
		Operator Name MARATHON OIL COMPANY	

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	26	22-S	36-E		2310	SOUTH	990	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres: 40									
Joint or Infill		Consolidation Code		Order No.					

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# Permit Conditions of Approval

Operator: MARATHON OIL CO , 14021

Well: SOUTH EUNICE 26 STATE #001

API: 30-025-37751

OCD Reviewer	Condition
DMULL	Will require DHC administrative order for downhole commingling before multiple zones can be produced by commingling in the wellbore.