



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2003

Apache Corporation
c/o W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2047

Administrative Order NSL-4830

Dear Mr. Kellahin:

Reference is made to the following: (i) your application (*application reference No. pKRV0-300352546*) dated January 2, 2003 on behalf of the operator Apache Corporation; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe, including the file on Division Administrative Order PC-289, dated December 7, 1965: all concerning Apache Corporation's request for an unorthodox Grayburg replacement oil well location within a former standard 40-acre oil spacing and proration unit in the Penrose Skelly (Grayburg) Pool (50350) comprising the SW/4 SE/4 (Unit O) of Section 20, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is our understanding that initial development of Grayburg oil production within this 40-acre unit commenced in the 1937 when Getty Oil Company drilled and completed the D. C. Hardy Well No. 2 (API No. 30-025-06691) at a standard oil well location 660 feet from the South line and 1980 feet from the East line of Section 20. Penrose Skelly (Grayburg) oil production ceased in this well in February, 1970 and in November, 1991 this well was finally plugged and abandoned.

Further, the S/2 SE/4 of Section 20 is a single fee lease with common ownership in which Apache Corporation is the leasehold operator.

It is further understood that such unorthodox location is necessitated for geologic and engineering reasons in that this location is approximately equidistance to other former Penrose Skelly (Grayburg) oil producers within this lease. This replacement well at the proposed unorthodox oil well location will enable Apache Corporation to further develop and deplete the Grayburg reserves within this 80-acre lease that might not otherwise be recovered.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled as a replacement Grayburg oil well within this former 40-acre unit at an

Administrative Order NSL-4830
Apache Corporation
January 22, 2003
Page 2

unorthodox oil well location is hereby approved:

**D. C. Hardy Well No. 6
330' FSL & 1330' FEL.**

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenberg" followed by a stylized signature element that looks like "LW/MES".

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

August 17, 2004

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Apache Corporation
Two Warren Place – Suite 1500
6120 South Yale
Tulsa, Oklahoma 74136-4224

Attention: **Kara Coday**

RE: NMOCD Correspondence Reference No. SD-04-07: Penrose Skelly (Grayburg) Pool (50350) development within Apache Corporation's existing standard 40-acre oil spacing and proration unit comprising the SW/4 SE/4 (Unit O) of Section 20, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

Dear Ms. Coday:

Reference is made to the following: (i) your letter dated July 23, 2004 (*Division administrative reference No. pSEM0-420926806*); and (ii) the records of the New Mexico Oil Conservation Division ("Division"), including the file on Division Administrative Order NSL-4830 (*administrative application reference No. pKRV0-300352546*).

The rules currently governing spacing, well locations, gas/oil ratio limitation, and allowables for the Penrose Skelly (Grayburg) Pool include, but not necessarily limited to:

- (a) Division Order No. R-199, issued in Case No. 390 on November 13, 1952; and
- (b) Division Rules 104.B and 505.A.

It is the Division's understanding that oil and casinghead gas production attributed to the Penrose Skelly (Grayburg) Pool within the above-described 40-acre unit is to be simultaneously dedicated to the following two Apache Corporation's wells:

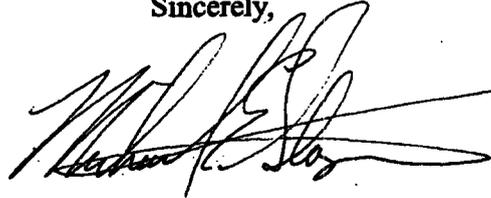
- (1) D. C. Hardy Well No. 6 (API No. 30-025-36114), located at an unorthodox oil well location (approved by Division Administrative Order NSL-4830, dated January 22, 2003) 330 feet from the South line and 1330 feet from the East line (Unit O) of Section 20; and
- (2) D. C. Hardy Well No. 7 (API No. 30-025-36378) recently drilled at a standard infill oil well location 990 feet from the South line and 2310 feet from the East line (Unit O) of Section 20.

Apache Corporation
August 17, 2004
Page 2

NMOCD Correspondence Reference No. SD-04-07

Furthermore, the provisions set forth in Division Administrative Order NSL-4830 shall remain in full force and affect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", written over a horizontal line.

Michael E. Stogner
Hearing Officer/Engineer

cc: **New Mexico Oil Conservation Division – Hobbs**
James Bruce, Legal Counsel for Apache Corporation – Santa Fe
File: NSL-4830

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

RECEIVED
JAN 26 1948
HOBBBS OFFICE

NOTICE OF INTENTION TO DRILL

Notice must be given to the Oil Conservation Commission or its proper agent and approval obtained before drilling begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes returned to the sender. Submit this notice in triplicate. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission.

Hobbs, New Mexico

January 23, 1948

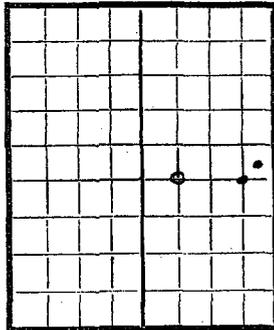
OIL CONSERVATION COMMISSION,
Santa Fe, New Mexico,

Gentlemen:

You are hereby notified that it is our intention to commence the drilling of a well to be known as

The Ohio Oil Company Dayton Hardy Well No. 3 in NW/4, SE/4
Company or Operator Lease

of Sec. 20, T. 21-S, R. 37-E, N. M., P. M., Drinkard Field, Lea County.



AREA 640 ACRES

LOCATE WELL CORRECTLY

The well is 1980 feet (N.) (65) of the South line and 1980 feet (E.) (W.) of the East line of Sec. 20-21-37

(Give location from section or other legal subdivision lines. Cross out wrong directions.)

If state land the oil and gas lease is No. Assignment No.

If patented land the owner is D. C. Hardy

Address Eunice, New Mexico

If government land the permittee is

Address

The lessee is The Ohio Oil Company

Address Box 1607, Hobbs, New Mexico

We propose to drill well with drilling equipment as follows:

Rotary Tools, J. F. Postelle Drilling Co., Odessa, Texas

The status of a bond for this well in conformance with Rule 39 of the General Rules and Regulations of the Commission is as follows:

We propose to use the following strings of casing and to land or cement them as indicated:

Size of Hole	Size of Casing	Weight Per Foot	New or Second Hand	Depth	Landed or Cemented	Sacks Cement
17"	13-3/8"	48#	New	300'	Cemented	250
11"	8-5/8"	32#	New	2800'	Cemented	1500
8"	5-1/2"	17#	New	6500'	Cemented	600

If changes in the above plan become advisable we will notify you before cementing or landing casing. We estimate that the first productive oil or gas sand should occur at a depth of about 6670 feet.

Additional information:

Approved JAN 26 1948, 19
except as follows:

Sincerely yours,

The Ohio Oil Company

Company or Operator

By J. B. Stewart

Position Superintendent

Send communications regarding well to

Name The Ohio Oil Company

Address Box 1607, Hobbs, New Mexico

OIL CONSERVATION COMMISSION
By Roy Yankovich
Title OIL & GAS INSPECTOR

ORIGINAL

RECEIVED
APR 19 1948
COMMISSION OFFICE

FORM C-105

N

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

			*		

AREA 640 ACRES
LOCATE WELL CORRECTLY

WELL RECORD

Mail to Oil Conservation Commission, Santa Fe, New Mexico, or its proper agent not more than twenty days after completion of well. Follow instructions in the Rules and Regulations of the Commission. Indicate questionable data by following it with (?). SUBMIT IN TRIPLICATE. FORM C-110 WILL NOT BE APPROVED UNTIL FORM C-105 IS PROPERLY FILLED OUT.

The Ohio Oil Company

Hobbs, New Mexico

Company or Operator

Address

Dayton Hardy

Well No. 3

in NW/4, SE/4

of Sec. 20

20

T. 21-S

21-S

Lease

R. 37-E

N. M. P. M.

Drinkard

Field,

Lea

County.

Well is 3300 feet south of the North line and 1980 feet west of the East line of Sec. 20-21-37

If State land the oil and gas lease is No. Assignment No.

If patented land the owner is D. C. Hardy, Address Eunice, New Mexico

If Government land the permittee is, Address

The Lessee is The Ohio Oil Company, Address Hobbs, New Mexico

Drilling commenced February 5, 1948 Drilling was completed April 5, 1948

Name of drilling contractor J. F. Postelle Drlg. Co., Address Odessa, Texas

Elevation above sea level at top of casing 3505 feet.

The information given is to be kept confidential until 19

OIL SANDS OR ZONES

No. 1, from 6578' to 6624' No. 4, from to

No. 2, from 6624' to 6677' No. 5, from to

No. 3, from to No. 6, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet.

No. 2, from to feet.

No. 3, from to feet.

No. 4, from to feet.

CASING RECORD

SIZE	WEIGHT PER FOOT	THREADS PER INCH	MAKE	AMOUNT	KIND OF SHOE	OUT & FILLED FROM	PERFORATED		PURPOSE
							FROM	TO	
13-3/8	48#	8 R	Spang	289'	HOWCO				
8-5/8	32#	8 R	"	2795'	"				
5-1/2	17#	8 R	"	6658'	"				
2-3/8"	4.7#	8 R		6707'	Torpedoed end	6672'	6674'		Prod.

5-1/2	17#	8 R	"	6658'	"			
2-3/8"	4.7#	8 R		6707'	Torpedoed end	6672'	6674'	Prod.

MUDDING AND CEMENTING RECORD

SIZE OF HOLE	SIZE OF CASING	WHERE SET	NO. SACKS OF CEMENT	METHODS USED	MUD GRAVITY	AMOUNT OF MUD USED
17"	13-3/8	299'	250	HOWCO		
11"	8-5/8	2787'	1200	"		
8"	5-1/2	6622'	750	"		

PLUGS AND ADAPTERS

Heaving plug—Material..... Length..... Depth Set.....
 Adapters — Material..... Size.....

RECORD OF SHOOTING OR CHEMICAL TREATMENT

SIZE	SHELL USED	EXPLOSIVE OR CHEMICAL USED	QUANTITY	DATE	DEPTH SHOT OR TREATED	DEPTH CLEANED OUT
		Acid	4000 gal.	3-26-48	6622' to 6662'	
			2000 gal.	3-29-48	6654' to 6677'	

Results of shooting or chemical treatment..... well flowed 304 bbls. in 24 hrs. thru 1/4" choke

RECORD OF DRILL-STEM AND SPECIAL TESTS

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto.

TOOLS USED

Rotary tools were used from surface..... feet to TD 6677'..... feet, and from..... feet to..... feet
 Cable tools were used from..... feet to..... feet, and from..... feet to..... feet

PRODUCTION

Put to producing..... April 16, 1948
 The production of the first 24 hours was..... 304..... barrels of fluid of which..... 100.....% was oil;.....% emulsion;.....% water; and.....% sediment. Gravity, Be..... 40.5 @ 60
 If gas well, cu. ft. per 24 hours..... Gallons gasoline per 1,000 cu. ft. of gas.....
 Rock pressure, lbs. per sq. in.....

EMPLOYEES

..... M. C. Hamm..... Driller..... J. M. Darnell..... Driller
 J. P. Ivey..... Driller..... Driller

FORMATION RECORD ON OTHER SIDE

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

Subscribed and sworn to before me this..... 15.....

Hobbs, New Mexico..... April 15, 1948

day of..... April..... 19..... 48

Name..... *P.B. Stewart*..... Date

E.P. Lollar
 Notary Public

Position..... Superintendent

Representing..... The Ohio Oil Company

My Commission Expires August 19, 1951
 My Commission expires.....

Company or Operator
 Address..... Box 1607, Hobbs, New Mexico

FORMATION RECORD

FROM	TO	THICKNESS IN FEET	FORMATION																																																						
0	1240	1240	Surface sand, caliche and red beds.																																																						
1240	1350	110	Anhydrite.																																																						
1350	2490	1140	Salt.																																																						
2490	2800	310	Anhydrite.																																																						
2800	3520	720	Dol. anhydrite, shale.																																																						
3520	3890	370	Dol., sand and shale.																																																						
3890	4810	920	Dolomite.																																																						
4810	5170	360	Limestone and dolomite.																																																						
5170	6677	1507	Dolomite, sand and shale.																																																						
DEVIATION SURVEY																																																									
<table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left; width: 60%;">Depth Taken</th> <th style="text-align: left; width: 40%;">Degrees off Vertical</th> </tr> </thead> <tbody> <tr><td>250</td><td>1</td></tr> <tr><td>500</td><td>0</td></tr> <tr><td>750</td><td>0</td></tr> <tr><td>1000</td><td>0</td></tr> <tr><td>1250</td><td>0</td></tr> <tr><td>1500</td><td>1/2</td></tr> <tr><td>1750</td><td>0</td></tr> <tr><td>2000</td><td>0</td></tr> <tr><td>2250</td><td>0</td></tr> <tr><td>2500</td><td>1</td></tr> <tr><td>2750</td><td>1</td></tr> <tr><td>3000</td><td>2</td></tr> <tr><td>3250</td><td>2</td></tr> <tr><td>3500</td><td>3/4</td></tr> <tr><td>3750</td><td>1</td></tr> <tr><td>4000</td><td>1</td></tr> <tr><td>4250</td><td>1</td></tr> <tr><td>4500</td><td>0</td></tr> <tr><td>4750</td><td>3/4</td></tr> <tr><td>5000</td><td>1</td></tr> <tr><td>5250</td><td>0</td></tr> <tr><td>5500</td><td>0</td></tr> <tr><td>5750</td><td>1/2</td></tr> <tr><td>6000</td><td>1/2</td></tr> <tr><td>6250</td><td>1/2</td></tr> <tr><td>6500</td><td>1</td></tr> </tbody> </table>				Depth Taken	Degrees off Vertical	250	1	500	0	750	0	1000	0	1250	0	1500	1/2	1750	0	2000	0	2250	0	2500	1	2750	1	3000	2	3250	2	3500	3/4	3750	1	4000	1	4250	1	4500	0	4750	3/4	5000	1	5250	0	5500	0	5750	1/2	6000	1/2	6250	1/2	6500	1
Depth Taken	Degrees off Vertical																																																								
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OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
- - -

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>	7. Unit Agreement Name - - -
2. Name of Operator Marathon Oil Company	8. Farm or Lease Name Dayton Hardy
3. Address of Operator P.O. Box 2409, Hobbs, New Mexico 88240	9. Well No. 3
4. Location of Well UNIT LETTER <u>J</u> <u>1980</u> FEET FROM THE <u>South</u> LINE AND <u>1980</u> FEET FROM THE <u>East</u> LINE, SECTION <u>20</u> TOWNSHIP <u>21-S</u> RANGE <u>37-E</u> NMPM.	10. Field and Pool, or Wildcat Penrose Skelly
15. Elevation (Show whether DF, RT, GR, etc.) 3505' DF	12. County Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input checked="" type="checkbox"/> Abandon Drinkard & recomplete in Penrose Skelly.

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1105.

6677' TD. Set Baker 5-1/2" cast iron bridge plug @ 5350'. Dumped 2 sacks cement on top of plug @ 5350'. PBSD 5330'. Pressure tested 5-1/2" casing and cast iron bridge plug to 3000#. Held O.K. Spotted 200 gal. 15% HCL @ 3840'. Perforated 5-1/2" casing @ 3709,10,12,14,16,18,22,24,25,32,33,34,43,87,89,91,93,95,3818,19,20, & 22, with 1 - 3/8" JSPF (22 holes). Acidized perfs. 3709-3822' w/2000 gal. of 15% NEA and 40 ball sealers. Fraced perfs. with 5000 gal. pad, 500 gals. 28% acid, 20,000 gals. gelled water and 25,000# of 20-40 mesh sand.

On 24 hr. test, well produced by pumping, 66 BO & 12 BW. 160.6 MCF gas.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED C. S. Blevins TITLE Area Superintendent DATE January 31, 1972

APPROVED BY John W. Runyan TITLE Geologist DATE FEB 2 1972

CONDITIONS OF APPROVAL, IF ANY:

**NEW MEXICO OIL CONSERVATION COMMISSION
REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS**

Form C-104
Supersedes Old C-104 and C-1
Effective 1-1-65

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TRANSPORTER	OIL
	GAS
OPERATOR	
PRORATION OFFICE	

RECEIVED
FEB - 4 1972

CONSERVATION COMMISSION

I. Operator
 Operator: Marathon Oil Company
 Address: P.O. Box 2409, Hobbs, New Mexico 88240
 Reason(s) for filing (Check proper box):
 New Well Change in Transporter of:
 Recompletion Oil Dry Gas
 Change in Ownership Casinghead Gas Condensate
 Other (Please explain): Recompleted from Drinkard zone.

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name: Dayton Hardy Well No.: 3 Pool Name, including Formation: Penrose Skelly Kind of Lease: State, Federal or Fee Lease No.: _____
 Location:
 Unit Letter: J; 1980 Feet From The South Line and 1980 Feet From The East
 Line of Section: 20 Township: 21-S Range: 37-E, NMPM, Lea County

is name Drinkard allow

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil or Condensate
Shell Pipe Line Corp. Address (Give address to which approved copy of this form is to be sent):
Box 1910, Midland, Texas 79701
 Name of Authorized Transporter of Casinghead Gas or Dry Gas
Skelly Oil Co. Address (Give address to which approved copy of this form is to be sent):
Box 1135, Eunice, New Mexico
 If well produces oil or liquids, give location of tanks. Unit: J Sec.: 20 Twp.: 21S Rge.: 37E Is gas actually connected? Yes When: 4-7-48

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input checked="" type="checkbox"/>	Gas Well <input type="checkbox"/>	New Well <input type="checkbox"/>	Workover <input type="checkbox"/>	Deepen <input type="checkbox"/>	Plug Back <input checked="" type="checkbox"/>	Same Res'v. <input type="checkbox"/>	Diff. Res'v. <input checked="" type="checkbox"/>
Date Spudded: <u>2-5-48</u>	Date Compl. Ready to Prod.: <u>1-15-72</u>	Total Depth: <u>6677'</u>			P.B.T.D.: <u>5330'</u>			
Elevations (DF, RKB, RT, GR, etc.): <u>DF 3505'</u>	Name of Producing Formation: <u>Penrose Skelly</u>	Top Oil/Gas Pay: <u>3709'</u>			Tubing Depth: <u>3853'</u>			
Perforations: <u>3709, 10, 12, 14, 16, 18, 22, 24, 25, 32, 33, 34, 43, 87, 89, 91, 93, 95, 3818, 19, 20, & 22' w/1 - 3/8" JSPF (22 holes.)</u>						Depth Casing Shoe: <u>6622'</u>		
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
	<u>2-3/8" Tbg.</u>		<u>3853'</u>					

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks: <u>1-15-72</u>	Date of Test: <u>1-30-72</u>	Producing Method (Flow, pump, gas lift, etc.): <u>Pump</u>	
Length of Test: <u>24 hrs.</u>	Tubing Pressure: <u>50</u>	Casing Pressure: <u>50</u>	Choke Size: <u>2"</u>
Actual Prod. During Test: <u>78 bbls.</u>	Oil-Bbls.: <u>66</u>	Water-Bbls.: <u>12</u>	Gas-MCF: <u>160.6</u>

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

P.S. [Signature]
(Signature)

Area Superintendent

(Title)

January 31, 1972

(Date)

OIL CONSERVATION COMMISSION

APPROVED FEB 9 1972, 19____
 BY John W. Runyan
 TITLE Geologist

This form is to be filed in compliance with RULE 1104.
 If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
 All sections of this form must be filled out completely for allowable on new and recompleted wells.
 Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

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LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER

2. Name of Operator
Marathon Oil Company

3. Address of Operator
P. O. Box 2409, Hobbs, New Mexico 88240

4. Location of Well
UNIT LETTER J 1980 FEET FROM THE South LINE AND 1980 FEET FROM
THE East LINE, SECTION 20 TOWNSHIP 21S RANGE 37E NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)
DF 3505'; GL 3494'

7. Unit Agreement Name

8. Farm or Lease Name
Dayton Hardy

9. Well No.
3

10. Field and Pool, or Wildcat
Penrose Skelly Grybg

12. County
Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIATION WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	Well Status <input checked="" type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1108.

- Status: Temporarily Abandoned
- Date T.A. Commenced: June 1973
- Reason for T.A.: Hydrocarbon reserves in completion interval depleted.
- Future Plans: Well held for proposed North Drinkard Unit.
- Approximate date of any future workover or P&A: December 1975.

Expires 12/1/75

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED [Signature] TITLE Petroleum Engineer DATE November 12, 197

APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT I DATE NOV 18 197

CONDITIONS OF APPROVAL, IF ANY:

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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease State <input type="checkbox"/> Fee <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
7. Unit Agreement Name
8. Farm or Lease Name Dayton Hardy
9. Well No. 13
10. Field and Pool, or Wildcat Penrose Skelly Grybg.
12. County Lea

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER

2. Name of Operator
Marathon Oil Company

3. Address of Operator
P.O. Box 2409, Hobbs, New Mexico 88240

4. Location of Well
UNIT LETTER J 1980 FEET FROM THE South 1980 FEET FROM
THE East LINE, SECTION 20 TOWNSHIP 21S RANGE 37E NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)
GL 3494'; KDB 3506'

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>
OTHER <input type="checkbox"/>	OTHER <u>Well Status</u> <input checked="" type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1503.

- Status: Temporarily Abandoned
- Date T.A. Commenced: June 1973
- Reason for T.A.: Hydrocarbon reserves in completion interval depleted.
- Future Plans: Workover
- Approximate date of any future workover or P&A: Last Half of 1976

Expires 12/1/76

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED *M. J. Johnston* TITLE Petroleum Engineer DATE May 7, 1976

APPROVED BY *Jerry Sexton* TITLE SUPERVISOR DISTRICT DATE MAY 11 1976

CONDITIONS OF APPROVAL, IF ANY:

M

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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
 Superdes Old
 C-102 and C-103
 Effective 4-1-65

5a. Indicate Type of Lease
 State Fee
 5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
 USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER (10)
 2. Name of Operator: Marathon Oil Company
 3. Address of Operator: P.O. Box 2409 Hobbs, New Mexico 88240
 4. Location of Well
 UNIT LETTER J, 1980 FEET FROM THE South LINE AND 1980 FEET FROM
 THE East LINE, SECTION 20 TOWNSHIP 21S RANGE 37E NMPM.
 7. Unit Agreement Name
 8. Farm or Lease Name: Dayton Hardy
 9. Well No.: 3
 10. Field and Pool, or Wildcat: Penrose-Skelly
 15. Elevation (Show whether DF, RT, GR, etc.):
3494' GL, 3506' KDB
 12. County: Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK
 TEMPORARILY ABANDON
 PULL OR ALTER CASING
 OTHER _____

PLUG AND ABANDON
 CHANGE PLANS
 OTHER _____

SUBSEQUENT REPORT OF:

REMEDIAL WORK
 COMMENCE DRILLING OPNS.
 CASING TEST AND CEMENT JOB
 OTHER Install pumping equipment

ALTERING CASING
 PLUG AND ABANDONMENT

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

2-18-80 Set test pumping unit on location.
 2-19-80 Pulled rods, tubing and pump.
 2-21-80 Ran tubing in hole. Pressure tested tubing - held okay. Ran rods and new pump in hole. Commenced production.

Prior to this work, well was temporarily abandoned.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Patrick Burton TITLE Production Engineer DATE 3-13-80
 APPROVED BY Jerry Sutton TITLE SUPERVISOR DISTRICT DATE MAR 17 1980
 CONDITIONS OF APPROVAL, IF ANY:

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501
JUL 21 1987
OIL CONSERVATION DIVISION
SANTA FE

Form C-103
Revised 10-1-78

5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator Marathon Oil Company	8. Farm or Lease Name Dayton Hardy
3. Address of Operator P. O. Box 552, Midland, Texas 79702	9. Well No. 3
4. Location of Well UNIT LETTER <u>J</u> <u>1980</u> FEET FROM THE <u>South</u> LINE AND <u>1980</u> FEET FROM THE <u>East</u> LINE, SECTION <u>20</u> TOWNSHIP <u>21-S</u> RANGE <u>37-E</u> N.M.P.M.	10. Field and Pool, or Wildcat Penrose Skelly <u>GB</u>
15. Elevation (Show whether DF, RT, GR, etc.)	12. County Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <u>Add Perforations to Penrose Skelly</u> <input checked="" type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Marathon Oil Company proposes to acidize the existing Penrose Skelly perforations 3709'-3822' with 2500 gals. acid, add additional perforations to the Penrose Skelly from 3940'-3964' and acidize the new perforations with 2500 gals. acid. This work is scheduled to begin July 24, 1987.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Craig M. Pungl TITLE Engineer DATE July 17, 1987
APPROVED BY Jerry S. [Signature] TITLE DISTRICT 1 SUPERVISOR DATE JUL 23 1987
CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-7

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OPERATOR	



5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator Marathon Oil Company	8. Farm or Lease Name Dayton Hardy
3. Address of Operator P. O. Box 552, Midland, Texas 79702	9. Well No. 3
4. Location of Well UNIT LETTER <u>J</u> <u>1980</u> FEET FROM THE <u>South</u> LINE AND <u>1980</u> FEET FROM THE <u>East</u> LINE, SECTION <u>20</u> TOWNSHIP <u>21-S</u> RANGE <u>37-E</u> NMPM.	10. Field and Pool, or Wildcat Penrose Skelly-GB
15. Elevation (Show whether DF, RT, GR, etc.) GR: 3494' KB: 3506'	12. County Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

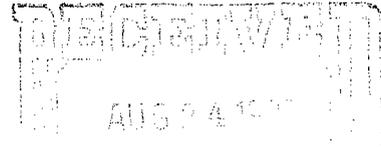
NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
FULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	OTHER <u>Add perms to Penrose Skelly</u> <input checked="" type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Began workover operations on July 25, 1987. POOH w/ production equipment. Ran 4-3/4" bit and 5-1/2" casing scraper to 4200'. Set pkr. at 3642'. Acidized Penrose Skelly perms, 3709'-3822', with 2500 gallons 15% NEFE acid using 33 balls for divert. Perforated Penrose Skelly at 3940', 42', 44', 46', 48', 50', 52', 54', 56', 58', 60', 62', and 3964' w/ 2 JSPF - 26 holes (.041" dia.). Acidized perms 3940'-3964' w/ 2500 gallons 15% NEFE acid using 40 balls for divert. Ran production equipment. On August 6, 1987, the well pump tested at a rate of 20 BOPD and 38 BWPD.



18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Eugene M. Pungile TITLE Engineer DATE Aug. 11, 1987

APPROVED BY Jerry Soto TITLE DISTRICT 1 SUPERVISOR DATE AUG 19 1987

CONDITIONS OF APPROVAL, IF ANY:

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
OIL CONSERVATION DIVISION

PO Drawer DD, Artesia, NM 88211-0719

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

District IV

PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

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

¹ Operator name and Address Marathon Oil Company P.O. Box 552 Midland, Texas 79702		² OGRID Number 014021
⁴ Property Code 6399		³ API Number 30-0 25-06689
⁵ Property Name Dayton Hardy		⁶ Well Number 3

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn.	Feet from the	North/South Line	Feet from the	East/West line	County
J	20	21-S	37-E		1980	South	1980	East	Lea

⁸ Proposed 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

⁹ Proposed Pool 1

Blinebry Oil & Gas

¹⁰ Proposed Pool 2

Drinkard

¹¹ Work Type Code P A	¹² Well Type Code Oil	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3495
¹⁶ Multiple Yes	¹⁷ Proposed Depth 6677	¹⁸ Formations	¹⁹ Contractor Unknown	²⁰ Spud Date Upon Approval

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
No	Change.	See	Completion	Report	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary

Marathon Oil Co is proposing to recomplete this well in the Blinebry & Drinkard. After testing the Drinkard, it will be isolated by a RBP while the Blinebry is recompleted and tested. A downhole commingle permit will then be submitted after sufficient testing to allow for simultaneous production of both zones. A detailed workover procedure is attached.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Thomas M. Price*

Printed name: **Thomas M. Price**

Title: **Adv. Eng. Tech.**

Date: **3/1/95**

Phone: **915/687/8324**

OIL CONSERVATION DIVISION

Approved by: *Gary W. Wink*
GARY W. WINK

Title: **FIELD REPRESENTATIVE II**

Approval Date: **MAR 03 1995** Expiration Date:

Conditions of Approval:
Attached

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised February 10, 1994
 Instructions on back
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 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06689		² Pool Code 19190		³ Pool Name Drinkard	
⁴ Property Code 6399		⁵ Property Name Dayton Hardy			⁶ Well Number 3
⁷ OGRID No. 014021		⁸ Operator Name Marathon Oil Company			⁹ Elevation Gl:3495

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	20	21-S	37-E		1980	South	1980	East	Lea

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

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

					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.				
					<i>Thomas M. Price</i> Signature				
					Thomas M. Price Printed Name Adv. Eng. Tech. Title 3/1/95 Date				
					¹⁸ SURVEYOR CERTIFICATION 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.				
					Date of Survey				
					Signature and Seal of Professional Surveyor:				
					Certificate Number				

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
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OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06689		² Pool Code 6660		³ Pool Name Blinebry Oil & Gas	
⁴ Property Code 6399		⁵ Property Name Dayton Hardy			⁶ Well Number 3
⁷ OGRID No. 014021		⁸ Operator Name Marathon Oil Company			⁹ Elevation GI:3495

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	20	21-S	37-E		1980	South	1980	East	Lea

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

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

				#3		1980
				1980		

¹⁷ **OPERATOR CERTIFICATION**
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Thomas M. Price

Signature
Thomas M. Price
 Printed Name
Adv. Eng. Tech.
 Title
3/1/95
 Date

¹⁸ **SURVEYOR CERTIFICATION**
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.

Date of Survey _____
 Signature and Seal of Professional Surveyor: _____

Certificate Number _____

WORKOVER PROCEDURE

DAYTON HARDY C NO. 3
1,980' FSL and 1,980' FEL
Section 20, T-21-S, R-37-E
Lea County, New Mexico

AFE No.: 652595

Date: February 7, 1995

Estimated Cost: \$200,000

Purpose: Cement squeeze Penrose Skelly Formation and recomplete to Blinebry/Drinkard Formations.

Elevation: 3,506' KB 3,495' GL

Drillers TD: 6,677'

PBTD: 5,330'. CIBP @ 5,350' w/2 sx cmt.

Surface Casing: 13-3/8", 48# casing at 299'. Cemented with 250 sks.

Intermediate Casing: 8-5/8", 32#, casing at 2,787'. Cemented with 1,200 sks. Circulated cement to surface.

Production Casing: 5-1/2", 17#, casing at 6,622'. Cemented with 750 sks 80% Burst - 4,256 psi.

Tubing: 2-3/8", 4.7#, production tubing at 3,848' with a SN at 3,847'.

Rod String/Pump: 3/4" rods w/a 2" * 1-1/4" * 12' insert pump.

Existing Perforations: Penrose Skelly (1 JSPF) 3,709'-10', 12', 14', 16', 18', 22', 24', 25', 32', 33', 34', 43', 87', 89', 91', 93', 95', 3,818', 19', 20', 22' (22 holes)

Abandoned Open Hole Interval: 6,622'-6,677'

Anticipated Bottom Hole Pressure: Drinkard - 1,000 psi
Blinebry - 1,000 psi

Safety Considerations: Run sufficient amount of killstring during any extended shut-in period.

3-1/2", 9.3#, N-80 workstring (80% burst - 8,130 psi)

2-3/8", 4.7#, J-55 Tubing (80% burst - 6,159 psi)

1. Inspect surface location and improve if necessary. Test safety anchors to 22,500#.
2. MIRUPU. Kill well as necessary with produced water.
3. Disconnect surface equipment. Hang off pumping unit. Laydown polish rod. Install rod BOPs. POOH w/3/4" rod string and 2" * 1-1/4" * 12' insert pump.
4. ND wellhead. NU 7-1/16" 3M hydraulic BOPE w/2-3/8" pipe rams with two valves below blind rams.
5. POOH with 2-3/8" production tubing. Visually inspect tubing and replace as necessary.
6. PU 2-3/8" * 5-1/2" cup type RBP. RIH and set RBP at approximately 100'. POOH with tubing and setting tool. Pressure test blind rams to 2,000# psi with produced water. RIH with 5-1/2" tension packer. Set packer at ± 80'. Pressure test pipe rams to 2,000# psi with produced water. Release packer and POOH, laying down packer. RIH with BP retrieving tool. Latch onto RBP at ± 100'. Release BP and POOH, laying down BP.

19. RU 7/-1/16" 3M frac valve, electric line company and lubricator. Pressure test lubricator to 1,000 psi. RIH with 3-1/8" guns and selectively perforate Blinbery formation with 2 JSPF, 120° phasing at 5,586'-90', 5,600'-10', 5,620'-35', 5,648'-52', 5,665'-80', 5,774'-85', 5,805'-10', 5,815'-20', 5,830'-35', 5,858'-62' (156 holes). (GR-CCL to be used for on-depth correlation.) RD electric line company, lubricator and frac valve.
20. RU hydrotesters. PU 3-1/2" workstring. Install 3-1/2" pipe rams and test to 2,000#. RIH with 5-1/2" RBP, 5-1/2" treating packer and 3-1/2", 9.3#, N-80 workstring to 6,200', hydrotesting to 8,000 psi. RD hydrotesters. Set RBP at ± 6,200'. POOH and set 5-1/2" treating packer at ± 6,190'. Pressure test RBP to 1,000 psi. Release packer and spot 10' of sand on RBP to ± 6,190'.
21. RU acid company. Spot 275 gals of 15% double inhibited NEFE acid across perforations 5,586'-5,862'. POOH with 3-1/2" workstring and set packer at ± 5,520'. Pressure test casing, 3-1/2" pipe rams and packer to 1,000 psi with 2% KCl water.
22. Install 3" treating lines and 3" frac valve. Acidize Blinbery perforations 5,586'-5,960' with 3,000 gals of 15% NEFE acid and 240 1.3 SG ball sealers at 3 to 4 BPM. Flush to bottom perf with 2,400 gals of 2% KCl water. RD acid company.
23. Release 5-1/2" treating packer at ± 5,520'. RIH and knock ball sealers from perforations 5,586'-5,862'. POOH and reset packer at ± 5,520'. Pressure test casing and packer to 500 psi with 2% KCl water.
24. RU stimulation company. Install 3" frac valve and 3" treating lines. Pressure test lines to 9,000 psi. Install pop off valves set at 2,000# on casing valves. Sand fracture stimulate Blinbery perforations 5,586'-5,862' as per service company recommendation. Anticipated treating pressure - 6,500 psi. Maximum treating pressure - 8,000 psi. Flush to top perf with 70 quality CO₂ foam. RD stimulation company.
25. Install flowback manifold. Flow well back to frac tank or pit to recover load or until well dies.
26. RU swab equipment. Swab back remaining frac load. RD swab equipment. RIH with sinker bar on sand line and check for fill.
27. Release 5-1/2" treating packer and POOH with 3-1/2" workstring, laying down. Install 2-3/8" pipe rams and test to 2,000#. If sand is encountered RIH w/2-3/8" production tubing, a 4-3/4" bit and a bull dog bailer. Clean out sand on RBP at ± 6,200'. Otherwise proceed to next step.
28. RIH with mud anchor, a 1.78" SN, 7 - jts of 2-3/8" production tubing, a 5-1/2" TAC, and 2-3/8" production tubing to ± 5,724' with TAC at ± 5,520'. Set 5-1/2" TAC at ± 5,520'.
29. ND BOPE. NU wellhead. Install rod BOPs. RIH with a 2" * 1-1/4" rod pump on API rod string. Space out plunger. Connect surface equipment.
30. Set condition II pumping unit.
31. Hang well on and start well pumping to production facilities. Monitor production and producing fluid levels.
32. Wait on NMOCD downhole-commingling permit approval.
33. MIRUPU. Kill well as necessary with 2% KCl water. Disconnect surface equipment. Hang well off and lay down polish rod.
34. Release TAC and POOH with rod string and 1-1/4" IP.

RECOMMENDED SAND FRACTURE STIMULATION (BLINEBRY) FOR THE DAYTON HARDY C NO. 3

Plan to sand fracture stimulate Blinebry perforations from 5,586-5,862' via 3-1/2", 9.3#, N-80 workstring (5-1/2" packer at ±5,520') at 35 BPM with an anticipated treating pressure of 6,500 psi. (Maximum surface pressure is 8,000 psi.)

1. Hold pre-job safety meeting. All treating and bleed off lines are to be staked and secure. Pressure test fluid and CO₂ lines to 9,000 psi.
2. Perform 70 quality CO₂ sand frac as follows:

TOTAL VOL (GALS)	LIQUID VOLUME (GALS)	LIQUID RATE (BPM)	CO ₂ RATE (BPM)	PROP CONC (PPG)	TOTAL SAND (LBS)
15,000	15,000	10.5	22.6	0	0
3,000	941	10.5	21.4	1	3,000
6,000	1,963	10.5	20.1	2	15,000
7,000	2,386	10.5	19.0	3	36,000
7,000	2,481	10.5	18.0	4	64,000
6,000	2,429	11.5	16.4	5	94,000
6,000	2,824	12.9	14.2	6	130,000
2,000	1,000	17.5	17.0	0	130,000

TOTAL: 50,000 Gallons of 70 Quality CO₂ Foam
20,000 Gallons of 40# Linear-Gelled 2% KCl water
130,000 lbs of 16/30 Brady sand
150 tons of CO₂ (Including cool down)

20,000 Gallons (476 bbls) of 40# linear gelled 2% KCl water to contain per 1,000 gallons:

- 40# gelling agent (J-4L)
- 5.0 Gallons Foaming Agent (Frac Foam 2)
- 2.0# B-11 Gel Breaker
- 167# KCl
- 1.0 Gallon Surfactant (Nine-40)
- 0.3# Bactericide (Frac-Cide 20)
- 10# PH Buffer (CW-1)
- 2.0# Ultra Perm Gel Breaker (C.R.B.)

MARATHON OIL COMPANY TO PROVIDE FOR TREATMENT

- * 1 - 500 Bbl coated frac tank (steam cleaned)
- * 20,000 Gallons of fresh water

STIMULATION COMPANY SHOULD PROVIDE FOR TREATMENT

- 150 tons of CO₂ and booster pump for 0 - 35 BPM
- 130,000 lbs 16/30 sand
- Pumping and blending equipment for 35 BPM at 8,000 psig
- 3" treating line and frac valve
- Foamer and Foam pump
- Adequate Breaker Pumps
- Frac Van
- Frac Tank Strap
- Appropriate Gel Breaker

Prepared by	Initials	Date
Approved by	RTP	2-1-85

* Depending on k & S combination → MV
 Depending on k & S & SBHP combination → DK

JICARILLA APACHE

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30		
1973 AUG	CUM	CUM	CUM	PRODUCED	LATEST	ORIGINAL																									
REC'D	COND (MBC)	GAS (MBC)	WTR (MBC)	15" CR.	SBHP	SBHP																									
Well 8E																															
DAKOTA	152	4.745	739.7	0.549	150-490		1886 ps																								
MESA VERDE	0	0.746	273.9	0.259	90-490	747 ps	1600 ps																								
Well 9E																															
DAKOTA	136	5.563	732.4	0.541	150-240	1751 ps	2129 ps																								
MESA VERDE	26	1.548	204.1	0.135	60-430	77 ps	1516 ps																								
Well 13E																															
DAKOTA	44	4.526	304.5	0.648	330-190	1759 ps	1759 ps																								
MESA VERDE	24	5.061	142.8	0.309	80-360	950 ps	1373 ps																								
Well 14E																															
DAKOTA	98	8.330	554.3	0.225	420-600	1571 ps	1571 ps																								
MESA VERDE	0	0.422	3.195	0	450-900	1300 ps	1300 ps																								
Well 16E																															
DAKOTA	98	4.440	644.8	1.079	270-520	1988 ps	2092 ps																								
MESA VERDE	15	0.1813	90.3	0.242	100-700	914 ps	1369 ps																								

TO: TMP x324
 From: Roo P
 196
 Based on Pz & Gas
 Produced, the DK
 BHP is ≈ 800-950 psig

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
RECEIVED
APR 10 PM 8 52
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address MARATHON OIL COMPANY P.O. Box 2409 Hobbs, New Mexico 88240		OGRID Number 014021
		Reason for Filing Code RT - 1000 BO April 1995
API Number 30-025-06689	Pool Name Blinby Oil & Gas	Pool Code 6660
Property Code 6399	Property Name Dayton Hardy	Well Number 3

II. Surface Location

Ul or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	20	21S	37E		1980	South	1980	East	Lea

III. Bottom Hole Location

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

Lee Code P	Producing Method Code P	Gas Connection Date —	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date
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III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
20667	SHELL PIPELINE P.O. Box 1910-200 N. LORRAINE Midland, Tx 79702	1241610	0	I, 20, T21S, R37E
22345	TEXACO P.O. Box 730 Hobbs, NM 88240	1241630	6	I, 20, T21S, R37E

IV. Produced Water

POD 1241650	POD ULSTR Location and Description I, 20, T21S, R37E
----------------	---

V. Well Completion Data

Spud Date 3/08/95	Ready Date Preparing to pump test.	TD 6677'	PBTD 6605' (RBP)	Perforations 5586-5690'
Hole Size No change	Casing & Tubing Size See ORIGINAL completion	Depth Set 2 3/8" at 5510'	Sacks Cement	

VI. Well Test Data

Date New Oil 4-1-95	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.
Signature: *Rick Gaddis*
Printed name: Rick Gaddis
Title: Production Engineer
Date: April 5, 1995
Phone: 505-393-7106

OIL CONSERVATION DIVISION
Approved by: *Gary W. Wink*
Title: GARY W. WINK
Approval Date: APR 06 1995
FIELD REPRESENTATIVE II

If this is a change of operator, fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
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Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION
RECEIVED
APR 8 1995

DISTRICT I
P.O. Box 1980, Hobbs NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-06689

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
DAYTON HARDY "C"

1. Type of Well:
OIL WELL GAS WELL OTHER

8. Well No.
3

2. Name of Operator
Marathon Oil Company

9. Pool name or Wildcat
BLINEBRY/DRINKARD

3. Address of Operator
P.O. Box 552, Midland, TX 79702

4. Well Location
Unit Letter J : 1980 Feet From The SOUTH Line and 1980 Feet From The EAST Line
Section 20 Township 21-S Range 37-E NMPM LEA County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
GL:3495 KB:3506

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK PLUG AND ABANDON
TEMPORARILY ABANDON CHANGE PLANS
PULL OR ALTER CASING
OTHER:

REMEDIAL WORK ALTERING CASING
COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
CASING TEST AND CEMENT JOB
OTHER: RECOMPLETE BLINEBRY & DRINKARD

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

3-7-95 MIRU PU. POOH W/RODS & PUMP. NU BOP. POOH W/TBG. TESTED BOP. C/O TO 3869'. SQZD PERFS 3940-64 W/50SX CLASS "C" CMT. SQZD GRAYBURG PERFS 3709-3822 W/125 SX CLASS "C" CMT. DRILLED OUT CMT & RETAINER FROM 3620-3828. TESTED 3709-3822 SQZ TO 1000 PSI. TEST OK. DRILLED CMT & RETAINER 3884-3967. TESTED SQZ 3940-64 TO 1000 PSI. DRILLED OUT CIBP @ 5352. C/O TO 6671' TD. ACIDIZED OPEN HOLE SECTION W/4500 GALLONS 15% HCL. SWABBED BACK TO FRAC TANK. RAN STATIC BHP. SET RBP @ 6605'. LOADED HOLE W/2% KCL. PERFORATD DRINKARD 6479-6592 W/2JSP4 -116 HOLES. ACIDIZED 6479-6592 W/5500 GALLONS 15% HCL. SWABBED TO FRAC TANK. RETRIEVED RBP & RESET @ 5910'. LOADED HOLE W/2% KCL. PERFD BLINEBRY 5586-90, 5600-10, 5620-35, 5648-52, 5665-80, 5774-85, 5805-10, 5815-20, 5830-35, 5858-62 W/2 JSPF. (156 HOLES). ACIDIZED BLINEBRY W/3000 GALLONS 15% HCL. FRACTURED W/50,000 GALLONS 65 QUALITY CO2 FOAM & 133,000# SAND. BLEW BACK TO FRAC TANK TO CLEAN UP. POOH W/STIMULATION STRING. C/O TO 5872'. INSTALLED 2 3/8" PRODUCTION TBG. ND BOP. NU TREE. INSTALL 1 1/2" PUMP & RODS. RDMO PU. SET PUMPING UNIT TURNED WELL TO TEST BLINEBRY 4-5-95.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE T.M. Price TITLE AET DATE 4-19-95

TYPE OR PRINT NAME TOM M. PRICE TELEPHONE NO. 915-682-1626

APPROVED BY Gary W. Wink TITLE GARY W. WINK FIELD REPRESENTATIVE II DATE APR 25 1995
CONDITIONS OF APPROVAL, IF ANY:

CMD :
OG6IPRD

ONGARD
INQUIRE PRODUCTION BY POOL/WELL

12/29/04 17:25:43
OGOMES -TPRH
Page No: 1

OGRID Identifier : 14021 MARATHON OIL CO
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG
API Well No : 30 25 6689 Report Period - From : 01 1993 To : 09 2004

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Gas	Production Oil	Production Water	Well Stat
30 25 6689	DAYTON HARDY	01 93	30	2050	153	517	F
30 25 6689	DAYTON HARDY	02 93	28	2510	69	103	F
30 25 6689	DAYTON HARDY	03 93	31	2676	106	389	F
30 25 6689	DAYTON HARDY	04 93	30	2517	80	320	F
30 25 6689	DAYTON HARDY	05 93	31	2472	19	77	F
30 25 6689	DAYTON HARDY	06 93	30		77	309	F
30 25 6689	DAYTON HARDY	07 93	31	2423	14	55	F

Reporting Period Total (Gas, Oil) :

M0002: This is the first page

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

Cumulative Production as of 12-31-1993

1919130

293051 MCF Gas

INQUIRE PRODUCTION BY POOL/WELL

OGRID Identifier : 14021 MARATHON OIL CO
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG
API Well No : 30 25 6689 Report Period - From : 01 1993 To : 09 2004

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 6689	DAYTON HARDY	08 93 31	2817 51 203	F
30 25 6689	DAYTON HARDY	09 93 30	2461 55 109	F
30 25 6689	DAYTON HARDY	10 93 31	1622 56 109	F
30 25 6689	DAYTON HARDY	11 93 30	1601 84 167	F
30 25 6689	DAYTON HARDY	12 93 31	1587 47 94	F
30 25 6689	DAYTON HARDY	01 94 31	1613 102 204	F
30 25 6689	DAYTON HARDY	02 94 26	1434 21 42	F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07 BKWD	PF08 FWD	PF09	PF10 NXTPOOL	PF11 NXTOGD	PF12

CMD :
OG6IPRO

ONGARD
INQUIRE PRODUCTION BY POOL/WELL

12/29/04 17:25:48
OGOMES -TPRH
Page No: 3

OGMID Identifier : 14021 MARATHON OIL CO
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG
API Well No : 30 25 6689 Report Period - From : 01 1993 To : 09 2000

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 6689	DAYTON HARDY	03 94 31	1615 80 247	P
30 25 6689	DAYTON HARDY	04 94 30	1571 28 85	P
30 25 6689	DAYTON HARDY	05 94 31	1672 52 155	P
30 25 6689	DAYTON HARDY	06 94 30	1319 36 106	P
30 25 6689	DAYTON HARDY	07 94 31	1431 55 164	P
30 25 6689	DAYTON HARDY	08 94 31	1434 64 250	P
30 25 6689	DAYTON HARDY	09 94 30	1402 61 239	P

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD :
OG6IPRD

CNGARD
INQUIRE PRODUCTION BY POOL/WELL

12/29/04 17:25:50
OGOMBS -TPRH
Page No: 4

OGRID Identifier : 14021 MARATHON OIL CO
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG
API Well No : 30 25 6689 Report Period - From : 01 1993 To : 09 2004

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Gas	Volumes Oil	Water	Stat
30 25 6689	DAYTON HARDY	10 94	31	1222	13	53	P
30 25 6689	DAYTON HARDY	11 94	30	1349	54	212	P
30 25 6689	DAYTON HARDY	12 94	31	1403	42	81	P
30 25 6689	DAYTON HARDY	01 95	13	386	19	433	P
30 25 6689	DAYTON HARDY	10 95					S
30 25 6689	DAYTON HARDY	02 96					S
30 25 6689	DAYTON HARDY	03 96					S

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12