

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

08/29/03 14:17:27
OGOMES -TQEV
PAGE NO: 1

Sec : 34 Twp : 18S Rng : 28E Section Type : NORMAL

<p>D 40.00 TUNV X00647 0394 DOMINION OK./TX E 11/14/32 A</p>	<p>C 40.00 TUNV X00647 0394 DOMINION OK./TX E 11/14/32 A</p>	<p>B 40.00 TUNV X00647 0305 VAN P WELCH ESTAT C 11/14/32 P A</p>	<p>A 40.00 TUNV X00647 0305 VAN P WELCH ESTAT 11/14/32</p>
<p>E 40.00 TUNV X00647 0394 DOMINION OK./TX E 11/14/32 A A</p>	<p>F 40.00 TUNV X00647 0394 DOMINION OK./TX E 11/14/32</p>	<p>G 40.00 TUNV <u>VB0489 0001</u> MARATHON OIL CO C 06/01/01 A</p>	<p>H 40.00 TUNV X00647 0305 VAN P WELCH ESTAT 11/14/32</p>

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

08/29/03 14:17:46
OGOMES -TQEV
PAGE NO: 2

Sec : 34 Twp : 18S Rng : 28E Section Type : NORMAL

L 40.00 TUNV X00647 0394 DOMINION OK./TX E C 11/14/32	K 40.00 TUNV X00647 0394 DOMINION OK./TX E C 11/14/32	J 40.00 TUNV E06945 0002 OCCIDENTAL PERMIA C 02/10/63	I 40.00 TUNV X00647 0394 DOMINION OK./TX E C 11/14/32
M 40.00 TUNV X00647 0394 DOMINION OK./TX E C 11/14/32 A	N 40.00 TUNV X00647 0394 DOMINION OK./TX E C 11/14/32	O 40.00 TUNV X00647 0394 DOMINION OK./TX E C 11/14/32 A	P 40.00 TUNV X00647 0394 DOMINION OK./TX E C 11/14/32

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
 PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD : ONGARD 08/29/03 14:18:17
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQEV

API Well No : 30 15 30395 Eff Date : 11-01-2000 WC Status : A
Pool Idn : 59860 TRAVIS; UPPER PENN
OGRID Idn : 24010 V-F PETROLEUM INC
Prop Idn : 27094 SAMUEL BURNS 34 STATE

Well No : 003
GL Elevation: 3535

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: B	34	18S	28E	FTG 450 F N	FTG 2100 F E	P

Lot Identifier:

Dedicated Acre: 80.00

Lease Type : S

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

E6317: No more recs. for this api well no.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD 08/29/03 14:18:40
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TQEV
Page No : 1

API Well No : 30 15 30395 Eff Date : 11-01-2000
Pool Idn : 59860 TRAVIS; UPPER PENN
Prop Idn : 27094 SAMUEL BURNS 34 STATE Well No : 003
Spacing Unit : 54371 OCD Order : Simultaneous Dedication:
Sect/Twp/Rng : 34 18S 28E Acreage : 80.00 Revised C102? (Y/N) :
Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	B		34	18S	28E	40.00	N	ST		
	G		34	18S	28E	40.00	N	ST		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 08/29/03 14:18:53
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
 Page No: 1

OGRID Identifier : 14021 MARATHON OIL CO
 Pool Identifier : 59860 TRAVIS; UPPER PENN
 API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prodn. Days	Production Volumes	Well
		MM/YY Prod	Gas Oil Water	Stat
30 15 30395	SAMUEL BURNS 34	STAT 02 99 24	5207 2020 1212	P
30 15 30395	SAMUEL BURNS 34	STAT 03 99 31	2647 1888 1151	P
30 15 30395	SAMUEL BURNS 34	STAT 04 99 30	1589 896	P
30 15 30395	SAMUEL BURNS 34	STAT 05 99 31	1200 374 816	P
30 15 30395	SAMUEL BURNS 34	STAT 06 99 30	471 500 598	P
30 15 30395	SAMUEL BURNS 34	STAT 07 99 31	381 128 460	P
30 15 30395	SAMUEL BURNS 34	STAT 08 99 31	336 102 405	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

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

CMD : ONGARD 08/29/03 14:18:56
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
Page No: 2

OGRID Identifier : 14021 MARATHON OIL CO
Pool Identifier : 59860 TRAVIS; UPPER PENN
API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prodn. Days	Production Volumes	Well
		MM/YY Prod	Gas Oil Water	Stat
30 15 30395	SAMUEL BURNS 34	STAT 09 99 30	149 64 298	P
30 15 30395	SAMUEL BURNS 34	STAT 10 99 31	133 61 356	P
30 15 30395	SAMUEL BURNS 34	STAT 11 99 30	94 100 275	P
30 15 30395	SAMUEL BURNS 34	STAT 12 99 31	121 52 318	P
30 15 30395	SAMUEL BURNS 34	STAT 01 00 31	82 46 300	P
30 15 30395	SAMUEL BURNS 34	STAT 02 00 29	64 31 208	P
30 15 30395	SAMUEL BURNS 34	STAT 03 00 31	47 24 197	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 : ONGARD 08/29/03 14:18:57
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
 Page No: 3

OGRID Identifier : 14021 MARATHON OIL CO
 Pool Identifier : 59860 TRAVIS; UPPER PENN
 API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes			Well Stat
			Gas	Oil	Water	
30 15 30395	SAMUEL BURNS 34 STAT	04 00 30	36	24	173	P
30 15 30395	SAMUEL BURNS 34 STAT	05 00 31	51	32	227	P
30 15 30395	SAMUEL BURNS 34 STAT	06 00 30	16	22	220	P
30 15 30395	SAMUEL BURNS 34 STAT	07 00 31	16	21	210	P
30 15 30395	SAMUEL BURNS 34 STAT	08 00 31	19	19	198	P
30 15 30395	SAMUEL BURNS 34 STAT	09 00 30	16	17	181	P
30 15 30395	SAMUEL BURNS 34 STAT	10 00 31	14	17	172	P
Reporting Period Total (Gas, Oil) :			12689	6438	7975	

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 : ONGARD 08/29/03 14:18:58
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
Page No: 3

OGRID Identifier : 14021 MARATHON OIL CO
Pool Identifier : 59860 TRAVIS; UPPER PENN
API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 15 30395	SAMUEL BURNS 34	STAT 04 00 30	36 24 173	P
30 15 30395	SAMUEL BURNS 34	STAT 05 00 31	51 32 227	P
30 15 30395	SAMUEL BURNS 34	STAT 06 00 30	16 22 220	P
30 15 30395	SAMUEL BURNS 34	STAT 07 00 31	16 21 210	P
30 15 30395	SAMUEL BURNS 34	STAT 08 00 31	19 19 198	P
30 15 30395	SAMUEL BURNS 34	STAT 09 00 30	16 17 181	P
30 15 30395	SAMUEL BURNS 34	STAT 10 00 31	14 17 172	P
Reporting Period Total (Gas, Oil) :			12689 6438 7975	

M0001: This is the last page

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

CMD : ONGARD 08/29/03 14:19:04
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
Page No: 1

OGRID Identifier : 24010 V-F PETROLEUM INC
Pool Identifier : 59860 TRAVIS; UPPER PENN
API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prod. Days	Production Volumes	Well
		MM/YY Prod	Gas Oil Water	Stat
30 15 30395	SAMUEL BURNS 34	STAT 11 00		P
30 15 30395	SAMUEL BURNS 34	STAT 12 00 27	157 55	P
30 15 30395	SAMUEL BURNS 34	STAT 01 01 31	146 95 41	P
30 15 30395	SAMUEL BURNS 34	STAT 02 01 28	152 12 36	P
30 15 30395	SAMUEL BURNS 34	STAT 03 01 29	238 10 29	P
30 15 30395	SAMUEL BURNS 34	STAT 04 01 26	246 8 27	P
30 15 30395	SAMUEL BURNS 34	STAT 05 01 29	252 11 27	P

Reporting Period Total (Gas, Oil) :

M0004: Enter selection keys.

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

CMD : ONGARD 08/29/03 14:19:07
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
 Page No: 2

OGRID Identifier : 24010 V-F PETROLEUM INC
 Pool Identifier : 59860 TRAVIS; UPPER PENN
 API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prod. Days	Production Volumes			Well Stat
			MM/YY	Prod	Gas	
30 15 30395	SAMUEL BURNS 34 STAT	06 01 30		211	7	20 P
30 15 30395	SAMUEL BURNS 34 STAT	07 01 25		245	2	8 P
30 15 30395	SAMUEL BURNS 34 STAT	08 01 30		235	15	41 P
30 15 30395	SAMUEL BURNS 34 STAT	09 01 30		143	9	16 P
30 15 30395	SAMUEL BURNS 34 STAT	10 01 30		216	6	14 P
30 15 30395	SAMUEL BURNS 34 STAT	11 01 24		219	1	P
30 15 30395	SAMUEL BURNS 34 STAT	12 01 24		236	10	16 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 : ONGARD 08/29/03 14:19:08
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
Page No: 3

OGRID Identifier : 24010 V-F PETROLEUM INC
Pool Identifier : 59860 TRAVIS; UPPER PENN
API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prod. Days	Production Volumes	Well
		MM/YY Prod	Gas Oil Water	Stat
30 15 30395	SAMUEL BURNS 34 STAT	01 02 31	213 11 20	P
30 15 30395	SAMUEL BURNS 34 STAT	02 02 28	83	P
30 15 30395	SAMUEL BURNS 34 STAT	03 02 30	138	P
30 15 30395	SAMUEL BURNS 34 STAT	04 02 30	105	P
30 15 30395	SAMUEL BURNS 34 STAT	05 02	96	P
30 15 30395	SAMUEL BURNS 34 STAT	06 02 30	68	P
30 15 30395	SAMUEL BURNS 34 STAT	07 02 31	64	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 : ONGARD 08/29/03 14:19:09
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
Page No: 4

OGRID Identifier : 24010 V-F PETROLEUM INC
Pool Identifier : 59860 TRAVIS; UPPER PENN
API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prodn. Days	Production Volumes	Well
		MM/YY Prod	Gas Oil Water	Stat
30 15 30395	SAMUEL BURNS 34 STAT	08 02 25	61	38 P
30 15 30395	SAMUEL BURNS 34 STAT	09 02 30	53	P
30 15 30395	SAMUEL BURNS 34 STAT	10 02 31	65	P
30 15 30395	SAMUEL BURNS 34 STAT	11 02 30	64	P
30 15 30395	SAMUEL BURNS 34 STAT	12 02 31	71	P
30 15 30395	SAMUEL BURNS 34 STAT	01 03 31	71	P
30 15 30395	SAMUEL BURNS 34 STAT	02 03 28	57	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 : ONGARD 08/29/03 14:19:10
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEV
Page No: 5

OGRID Identifier : 24010 V-F PETROLEUM INC
Pool Identifier : 59860 TRAVIS; UPPER PENN
API Well No : 30 15 30395 Report Period - From : 01 1993 To : 07 2003

API Well No	Property Name	Prodn. Days	Production Volumes	Well
		MM/YY Prod	Gas Oil Water	Stat
30 15 30395	SAMUEL BURNS 34	STAT 03 03 31	59	P
30 15 30395	SAMUEL BURNS 34	STAT 04 03 30	60	P
30 15 30395	SAMUEL BURNS 34	STAT 05 03 31	71	P
30 15 30395	SAMUEL BURNS 34	STAT 06 03 30	66	P

Reporting Period Total (Gas, Oil) : 4161 252 333

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

CASE 13103: Continued from August 7, 2003, Examiner Hearing.

Amended Application of V-F Petroleum Inc. for Compulsory Pooling and an Unorthodox Surface Location, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing from a depth of 3,500 feet (the approximate base of the San Andres formation) to the base of the Morrow formation (approximate depth of 11,152 feet) underlying the N/2 of Section 34, Township 18 South, Range 28 East, forming a standard gas spacing and proration unit for any and all formations and/or pools spaced on 320 acres within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Turkey Track-Morrow Gas Pool.. Said pooled unit is to be dedicated to its Samuel Burns "34" State Well No. 3 located at an unorthodox surface location 450 feet from the North line and 2,100 feet from the East line (Unit B) of said Section 34 that applicant proposes to re-enter and directionally drill to a standard location in the Morrow formation in the NW/4 NE/4 of the section. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 14 miles southeast of Artesia, New Mexico.

CASE 13122: Continued from August 7, 2003 Examiner Hearing.

Application of Yates Petroleum Corporation for approval of a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of the Kris State Exploratory Unit for an area comprising 3200.00 acres of State of New Mexico lands in Sections 27, 28, 29, 33, and 34, Township 11 South, Range 34 East, which is located approximately 8 miles North of Tatum, New Mexico.

CASE 13141: This case will be dismissed.

*int. to
apt. 4H*
Application of EOG Resources, Inc. for re-instatement of Division Order No. R-10183 which promulgated Special Pool Rules and Regulations for the Diamond-Strawn Pool including provisions for 80-acre spacing and proration units and special well location requirements, Lea County, New Mexico. Applicant seeks the adoption of Special Pool Rules and Regulations for the Diamond-Strawn Pool on a permanent basis by the re-instatement of Division Order No. R-10183 that previously adopted Temporary Pool Rules and Regulations for this pool. The Diamond-Strawn Pool is located in portions of Sections 15 and 16 of Township 16 South, Range 36 East. Said pool area is located approximately 2 miles south of the center of Lovington, New Mexico.

CASE 13085: Continued from August 21, 2003 Examiner Hearing.

Amended Application of EGL Resources, Inc. and Robert Landreth for Pool Extension, or Alternatively Pool Creation, and Expansion of Gas Spacing and Proration Unit, Lea County, New Mexico. Applicants seek an order extending the pool boundaries of the North Bell Lake-Devonian Gas Pool (71840) to include Sections 4 and 5, Township 23 South, Range 34 East. Alternatively, Applicants seek the creation of a new pool consisting of said Section 4 with the promulgation of special pool rules for the production of gas from the Devonian formation including 640-acre gas spacing and proration units and designated well location requirements. Applicants also seek the concurrent expansion of the 320-acre gas spacing and proration unit created by Order No. R-11962 presently consisting of the N/2 of said Section 4 to include the entirety of said Section 4 to form a 640-acre spacing and proration unit from the base of the Morrow formation to the base of the Devonian formation which will be dedicated to the Rio Blanco 4 Federal Well No. 1 (API No. 30-025-34515) located at a standard location (Unit F) 1980 feet from the North and West lines of Section 4. Applicants propose to re-enter the Rio Blanco 4 Federal Well No. 1 presently drilled to the Morrow formation and deepen the well by way of a side-track to the Devonian formation. The subject lands are located approximately 20 miles southwest of Eunice, New Mexico.

CASE 13142: **Application of the New Mexico Oil Conservation Division for an Order Requiring Maralo, LLC to Remediate Hydrocarbon Contamination at an Abandoned Well and Battery Site, Lea County, New Mexico.** Applicant seeks an order requiring Maralo, LLC to remediate contamination at the Humble State Well No. 3 site, located in Unit A, Section 36, Township 25 South, Range 36 East.

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 13103
ORDER NO. R-12051

AMENDED APPLICATION OF V-F PETROLEUM INC. FOR COMPULSORY
POOLING AND AN UNORTHODOX SURFACE LOCATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on November 7, 2003, at Santa Fe,
New Mexico, before examiner William V. Jones.

NOW, on this 13th day of November, 2003, the Division Director, having
considered the record and the recommendations of the Examiner,

FINDS THAT:

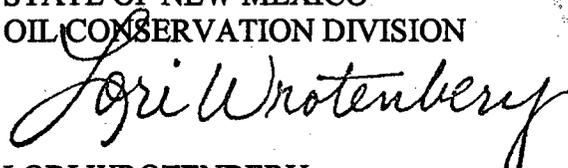
The applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 13103 be dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

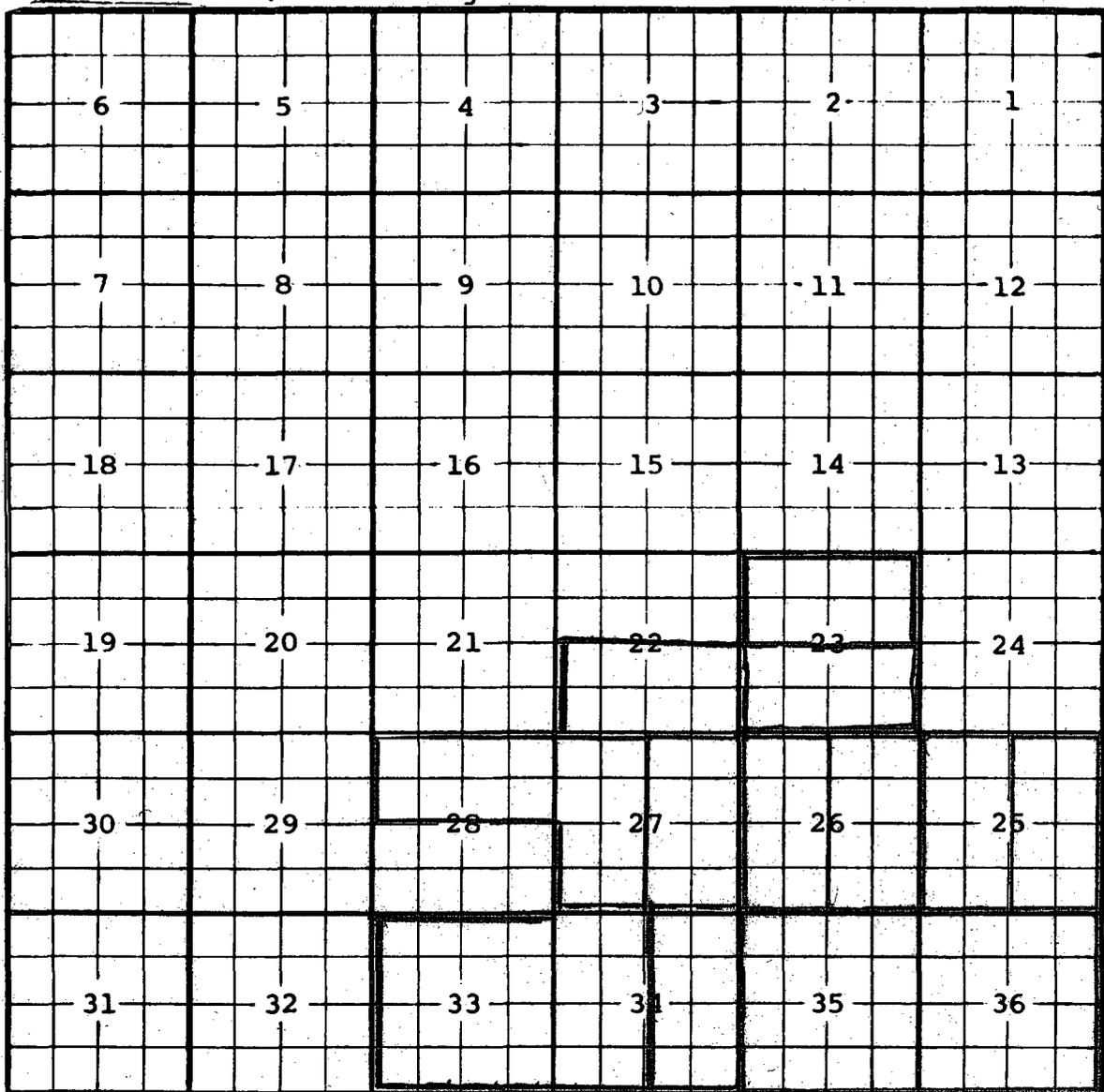
SEAL

County Eddy Pool North Turkey Track - Morrow Gas

TOWNSHIP 18 South

Range 28 East

NMPM



Ext: $\frac{E}{2}$ Sec 25 (R-5667, 4-1-78) Ext: $\frac{W}{2}$ Sec 25 (R-5838, 11-1-78)

Ext: All Sec 35, All Sec 36 (R-5988, 5-1-79) Ext: $\frac{E}{2}$ Sec 26 (R-6211, 12-31-79)

Ext: $\frac{N}{2}$ Sec 26 (R-6420, 8-1-80) Ext: $\frac{E}{2}$ Sec 27 (R-7009, 6-19-82)

Ext: $\frac{W}{2}$ Sec 27 and $\frac{N}{2}$ Sec 28 (R-7131, 11-30-82)

Ext: Sec 23 $\frac{S}{2}$ (R-7193, 1-26-83) Ext: $\frac{N}{2}$ Sec 23 (R-7668, 9-21-84)

Ext: $\frac{E}{2}$ Sec 34 (R-10844, 7-16-97) Ext: $\frac{S}{2}$ Sec 22 (R-11097, 12-10-98)

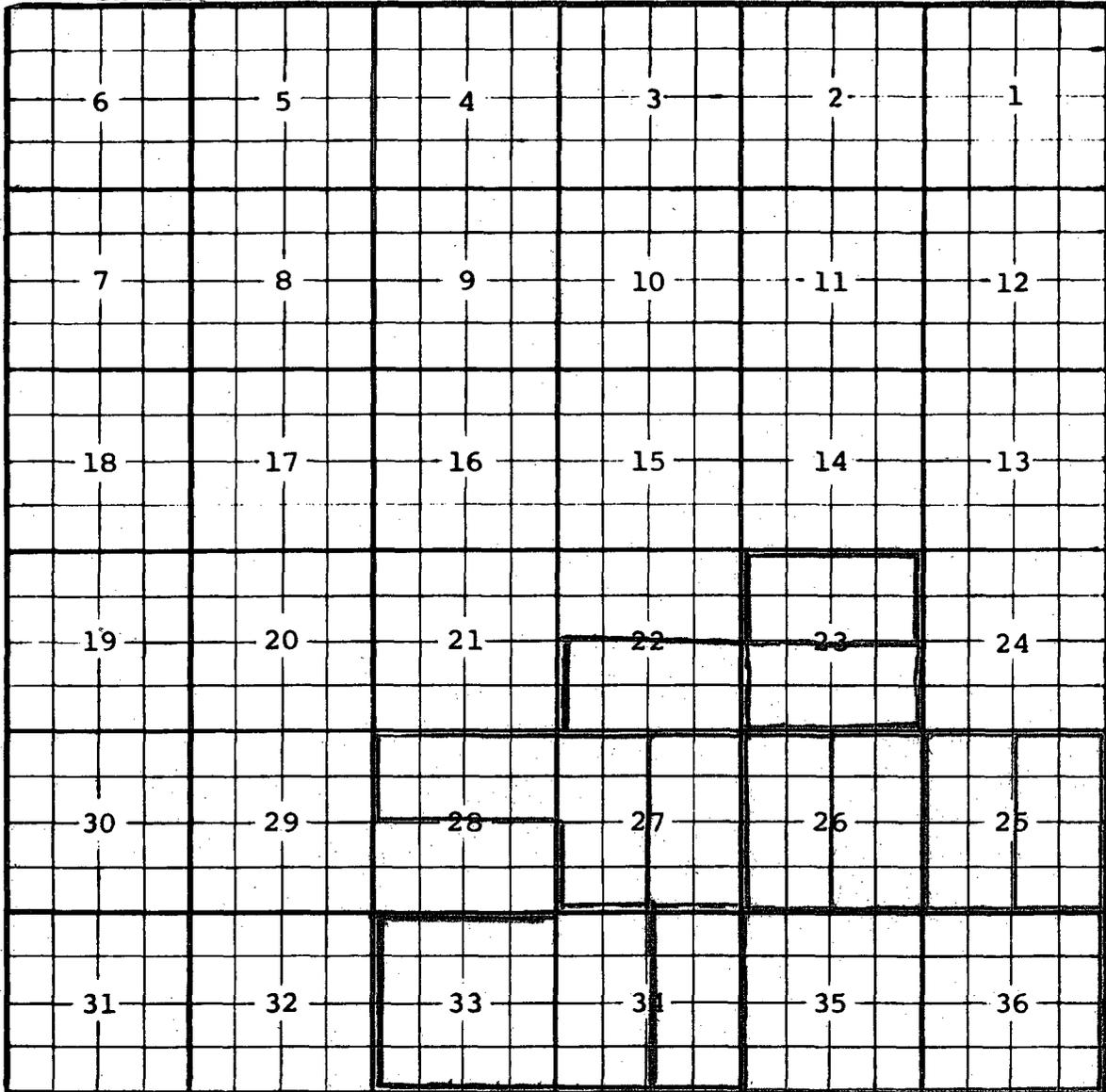
Ext: All Sec 33, $\frac{W}{2}$ Sec 34 (R-11226, 7-12-99)

County Eddy Pool North Turkey Track - Morrow Gas

TOWNSHIP 18 South

Range 28 East

NMPM



Ext: $\frac{E}{2}$ Sec 25 (R-5667, 4-1-78) Ext: $\frac{W}{2}$ Sec 15 (R-5838, 11-1-78)

Ext: All Sec 35, All Sec 36 (R-5988, 5-1-79) Ext: $\frac{E}{2}$ Sec 26 (R-6211, 12-31-79)

Ext: $\frac{N}{2}$ Sec 26 (R-6420, 8-1-80) Ext: $\frac{E}{2}$ Sec 27 (R-7009, 6-19-82)

Ext: $\frac{W}{2}$ Sec 27 and $\frac{N}{2}$ Sec 28 (R-7131, 11-30-82)

Ext: Sec 23 $\frac{S}{2}$ (R-7193, 1-26-83) Ext: $\frac{N}{2}$ Sec 23 (R-7668, 9-21-84)

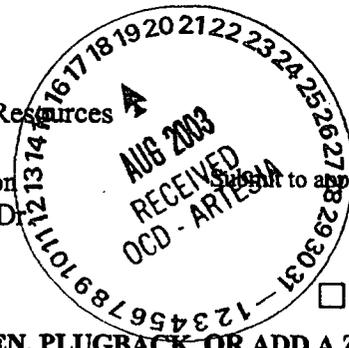
Ext: $\frac{E}{2}$ Sec 34 (R-10844, 7-16-97) Ext: $\frac{S}{2}$ Sec 22 (R-11097, 12-10-98)

Ext: All Sec 33, $\frac{W}{2}$ Sec 34 (R-11226, 7-12-99)

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-101
Revised March 17, 1999

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 V-F Petroleum Inc. P.O. Box 1889 Midland, Texas 79702		² OGRID Number 24010
		³ API Number 30-015-30935 30395
³ Property Code 14021	⁵ Property Name Samuel Burns State	⁶ Well No. 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
B	34	18S	28E		450	N	2,100	E	Eddy

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
B	34	18S	28E		530	N	2,087'	E	Eddy

⁹ Proposed Pool 1 Turkey Track North (Morrow)	¹⁰ Proposed Pool 2
---	-------------------------------

¹¹ Work Type Code D	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3,535'
¹⁶ Multiple N	¹⁷ Proposed Depth 11,200'	¹⁸ Formation Morrow	¹⁹ Contractor NA	²⁰ Spud Date 8/03

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	48	448	400	Surface
12 1/4	9 5/8	36	2,957	1,250	Surface
8 3/4	7	23 & 26	10,040	1,025	2,480
6 1/8	4 1/2	11.6	9,500 - 11,200	200	9,500

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.

It is proposed to squeeze the existing Strawn perms at 9,842-54', 9,860-70', 9,888-96', 9,904-08', with 200 sxs of cement and then deepen below the 7" casing with a 6 1/8" hole to 11,200' with 9.2 ppg cut brine mud. At TD, the well will be logged. If productive, we will set a 4 1/2" liner and cement csg back to the liner hanger in the 7" casing. A 3,000 psi annular preventer and a 5,000 psi dual ram BOP will be used while drilling. Several DST's may be run. No H2S is expected.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION	
Signature: <i>Larry N. Brazile</i>	Approved by: <i>Jim W. Gunn</i>	
Printed name: Larry N. Brazile	Title: SUPERVISOR, DISTRICT II	
Title: Petroleum Engineer	Approval Date: NOV 07 2003	Expiration Date: NOV 07 2004
Date: August 14, 2003	Phone: 432-683-3344	Conditions of Approval: Attached Drill only NSL to produce

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 59860	Pool Name Travis Upper Pennsylvanian
Property Code	Property Name SAMUEL BURNES BURNS '34' STATE	Well Number 3
OGRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 3535

Surface Location

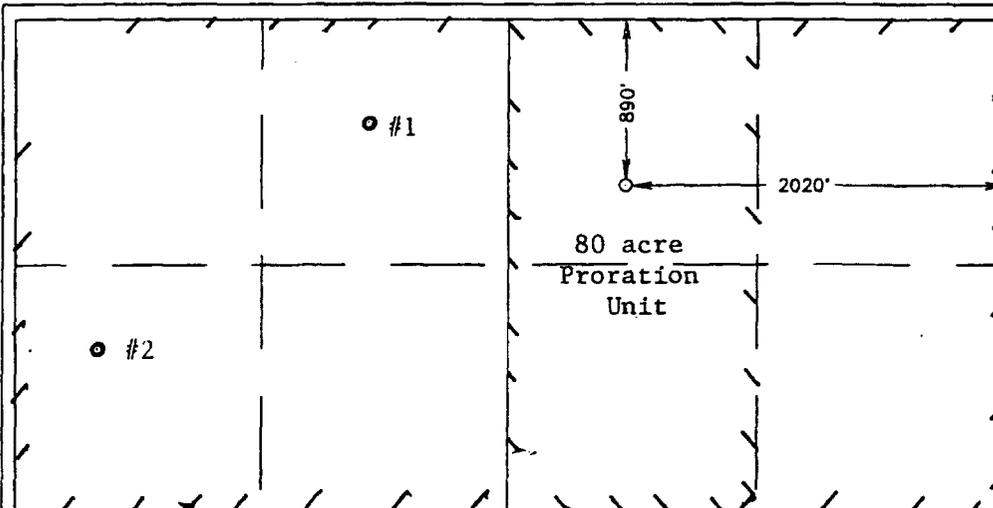
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	34	18 S	28 E		890	NORTH	2020	EAST	EDDY

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.
80 - W/2, NE/4			

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



OPERATOR CERTIFICATION

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

Walter J. Duce
Signature

D. R. Hall
Printed Name

Drilling Superintendent
Title

8/31/98
Date

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.

JULY 31, 1998
Date Surveyed

DMCC

Signature & Seal of Professional Surveyor

Ronald J. Gibson
9-11-1095

Certificate No. RONALD J. GIBSON 3239
GARY E. EBBSON 12641
RONALD J. GIBSON 12185

30-015-30395

ORIG 24010

PROP 27094

POO1 59860

3-8-99
Dun - Comp Neut
200-9942
Not GR
6500-9913
LH - MCFH - GR
2955-9952



Geol. Tape per/BSA

Yates 655
Queen 1760
San Andros 2536
Bona Spring 3643
1st Sand 6333
2nd Sand 6913
3rd Sand 8135
Wp/foam 8473

cisco 9120
CANYON 9464
STRAWN 9672

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 S. 1st Street, Artesia, NM 88210-2834
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

clerk BUM gv
 Form C-1019
 Revised October 18, 1998
 Instructions on bac
 Submit to Appropriate District O
 State Lease - 6 Copie
 Fee Lease - 5 Copie

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, TX 79702		² OGRID Number 14021
⁴ Property Code 23057	⁵ Property Name SAMUEL BURNS "34" STATE	³ API Number 30-015-30325
		⁶ Well No. 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
B	34	18-S	28-E		890	NORTH	2020	EAST	EDDY

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 TRAVIS, UPPER PENNSYLVANIAN	¹⁰ Proposed Pool 2 59860
---	--

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3535'
¹⁶ Multiple NO	¹⁷ Proposed Depth 10,100'	¹⁸ Formation U. PENN	¹⁹ Contractor TMBR/SHARP #27	²⁰ Spud Date 9/15/98

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5"	13.625"	48	425'	470	SURFACE
12.25"	9.625"	36	2,800'	900	SURFACE
8.75"	7.00"	23# 26#	10,100'	1650	+1-2,400'

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.

PROPOSED BOPE: INTERMEDIATE HOLE - 13-5/8" 5M DUAL RAM, ANNULAR, ROTATING HEAD
 PRODUCTION HOLE: 11" 3M DUAL RAM, ANNULAR, ROTATING HEAD

ALL CASING SHALL BE RUN AND CEMENTED IN ACCORDANCE WITH NMOC D RULE #107.
 ALL BOPE SHALL BE INSTALLED AND TESTED ACCORDING TO NMOC D RULES #109 & #114.

*Post ID-1
 9-4-98
 API & Loc*

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Walter Duman</i>	OIL CONSERVATION DIVISION	
	Approved by: <i>Jim W. Burns B60</i>	Title: <i>District Supervisor</i>
Printed name: D. R. HALL	Approval Date: 9-2-98	Expiration Date: 9-2-99
Title: DRILLING SUPERINTENDENT		

DISTRICT I
P.O. Box 1888, Hobbs, NM 88241-1888

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2066, SANTA FE, N.M. 87504-2068

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

XX AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30935	Pool Code 59860	Pool Name Travis Upper Pennsylvanian
Property Code 14021	Property Name SAMUEL BURNS	Well Number 3
OGRID No.	Operator Name MARATHON OIL COMPANY	Elevation 3554

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	34	18 S	28 E		450	NORTH	2100	EAST	EDDY

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 80-W/2, NE/4	Joint or Infill	Consolidation Code	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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>D. R. Hall</i> Signature</p> <p>D. R. Hall Printed Name</p> <p>Drilling Superintendent Title</p> <p>10/8/98 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>SEPTEMBER 30, 1998 Date Surveyed</p> <p>DMCC</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Ronald J. Edson</i> 9-30-98 98-11-1306</p> <p>Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641 MADON' McDONALD 12185</p>

District I
 PO Box 1986, Hobbs, NM 88241-1980
 District II
 811 S. 1st Street, Artesia, NM 88210-2834
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

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 Form C-101
 Revised October 18, 199
 Instructions on bac
 Submit to Appropriate District O
 State Lease - 6 Copie
 Fee Lease - 5 Copie

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, TX 79702		2 OGRID Number 14021
3 Property Code 23057	4 Property Name SAMUEL BURNS "34" STATE	3 API Number 30395 30-0 15-90939
		6 Well No. 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
B	34	18-S	28-E		450	NORTH	2100	EAST	EDDY

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 TRAVIS, UPPER PENNSYLVANIAN 5986e					10 Proposed Pool 2				
--	--	--	--	--	--------------------	--	--	--	--

11 Work Type Code N	12 Well Type Code O	13 Cable/Rotary ROTARY	14 Lease Type Code S	15 Ground Level Elevation 3535'
16 Multiple NO	17 Proposed Depth 10, 100'	18 Formation U. PENN	19 Contractor TMBR/SHARP #27	20 Spud Date 9/15/98

21 Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5"	13.625"	48	425'	470	SURFACE
12.25"	9.625"	36	2,800'	900	SURFACE
8.75"	7.00"	23# 26#	10,100'	1650	+/- 2,400'

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.

PROPOSED BOPE: INTERMEDIATE HOLE - 13-5/8" 5M DUAL RAM, ANNULAR, ROTATING HEAD
 PRODUCTION HOLE: 11" 3M DUAL RAM, ANNULAR, ROTATING HEAD

ALL CASING SHALL BE RUN AND CEMENTED IN ACCORDANCE WITH NMCD RULE #107.
 ALL BOPE SHALL BE INSTALLED AND TESTED ACCORDING TO NMCD RULES #109 & #114.

THIS IS AN AMENDED c-101 FOR A CHANGE IN LOCATION.

Post IP-1
11-6-98
Amend Ftg

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Walter J. Duncan</i>	OIL CONSERVATION DIVISION	
Printed name: D. R. HALL	Approved by: <i>SUPERVISOR, DISTRICT II</i> B6X	
Title: DRILLING SUPERINTENDENT	Approval Date: 10-14-98	Expiration Date: 10-14-99

MARATHON OIL COMPANY

**Burns "34" State # 3
450' FNL & 2100' FEL
Sec. 34, T- 18-S, R-28-E
Eddy County, New Mexico**

MIRU TMBR Sharp, spud 17.5" hole @ 0315 hrs 1/6/99. Drilled to 448'. Ran 10 jts, 13.375", H-40 casing to 443'. Shoe @ 448, insert @ 401'. RU HOWCO, Cemented surface casing W/ 170 sx 35:65:6,2% cacl, wt 12.3, yield - 2.02. Tailed in W/ 200 sx "C" wt- 14.8, yield - 1.34. Bumped plug and circulated 20 sx to pit. WOC 4 hrs, cut casing and installed 13.625" X 13.375" SOW casing head, NU rotating head and TIH w/ 12.25" bit. WOC 10 hrs. Drilled float equip and air drilled formation to 2957'. TD @ 2300 hrs 1/10/99.

Ran 9-5/8" Intermediate casing as follows: 66 jts 36#, K-55 LTC new casing to 2957'. Shoe @ 2956', float collar @ 2909'. Cemented w/1000 sx HOWCO Interfil "C", 5 p.p.s. gilsonite, .25 p.p.s. cello, wt - 11.9 ppg, yield - 2.46. Tailed in w/ 250 sx "C" neat wt - 14.8, yield 1.34. Circulated 260 sx to pit. ND BOPE and set slips w/ 60K. NU 13-5/8" 3M X 11" 3M casing head and tested weld to 1000 psi.

Drilled formation to 9960", TD @ 1630 hrs, 1/24/99.

Logged well as follows: Platform Express/HALS/BHC Sonic/NGT TD - 7,000'. CNL/GR/CAL - surface. Drilled 8.75" hole to 10,040'

Ran 7" production casing as follows: 76 jts, (3207.05') 26#, L-80, 51 jts, (2194.93') 26#, K-55, 103 jts (4638.66') 23# K-55. Shoe @ 10,040', collar @ 9949', DV @ 8499'.

Cemented production casing w/ 325 sx Modified Super H, .4% CFR-3, 5 pps Gilsonite, .5% Halad -344, 2 p.p.s. NACL, Wt - 13.0, Yield - 1.64. Bumped plug, did not circulate cement.
Cemented 2nd stage w/ 660 sx Interfil "C", wt - 11.9, yield - 2.64. Tailed in w/ 100 sx neat. Did not circulate cement. Estimated cement top - 2nd stage - 1750'.

Set slips w/168K, cut 7", ND BOPE. Released rig @ 1130 hrs 1/25/99.

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

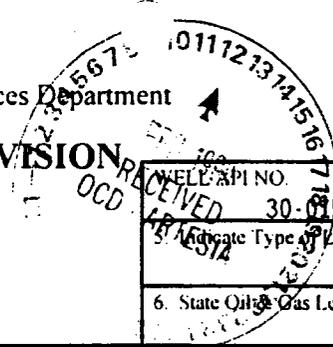
95F
up

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

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

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



WELL API NO. 30-015-30935
Appropriate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
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 BURNS 34 STATE
--

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
--

8. Well No. 3

2. Name of Operator Marathon Oil Company

9. Pool name or Wildcat TRAVIS, UPPER PENN

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

4. Well Location Unit Letter <u>B</u> <u>450</u> Feet From The <u>NORTH</u> Line and <u>2100</u> Feet From The <u>EAST</u> Line Section <u>34</u> Township <u>18-SOUTH</u> Range <u>28-EAST</u> NMPM LEA County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3535' G.L.
--

11. 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 checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

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.

SEE ATTACHED FOR DETAIL

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

SIGNATURE Walter J. Longmire TITLE DRILLING SUPERINTENDENT DATE 2/8/99

TYPE OR PRINT NAME R. J. LONGMIRE TELEPHONE NO 915/687-8356

(This space for State Use)

APPROVED BY Jim W. Green TITLE District Supervisor DATE 2-15-99

CONDITIONS OF APPROVAL, IF ANY

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
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

CIST
 LT
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 CP

Form C-104
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Marathon Oil Company P.O. Box 2490 Hobbs, NM 88240		² OGRID Number 014021
⁴ API Number 30-0 30-015-30395		³ Reason for Filing Code RT Eff 2/5/99
⁵ Pool Name Travis; Upper Penn		⁶ Pool Code 59860
⁷ Property Code 23057	⁸ Property Name Samuel Burn 34 State	⁹ Well Number 3

II. 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
B	34	18S	28E		890	North	2020	East	Eddy

¹¹ 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
					490		2100		

¹² Lse Code	¹³ Producing Method Code	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
State	Flowing				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
15694	Navajo Refining PO Box 159 Artesia, NM 88211	2821154	0	UL I, Sec.33, T-18-S, R-28-E Travis Field Battery
0990	ARCO PO Box 1610 Midland, TX 79702	2821597	G	UL C, Sec.34, 5-18-S, R-28-E Meter at S.Burns 34 State No. 1.



IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
2821156	UL I, Sec. 33, T-28-S, R-28-E Travis Field Battery

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBD	²⁹ Perforations	³⁰ DHC, DC, MC
1/7/99	2/5/99	10,040'	9990'	9842-9908'	
³¹ Hole Size	³² Casing & Tubing Size		³³ Depth Set	³⁴ Sacks Cement	
17 1/2"	13 3/8"	48#	448'	400 sxs	
12 1/4"	9 5/8"	36#	2957'	1250 sxs	
8 3/4"	7"	26 & 23#	10,040'	1025 sxs	

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method

⁴⁷ 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: *Kelly Cook*
 Printed name: Kelly Cook
 Title: Records Processor
 Date: 2/12/99
 Phone: 393-7106

OIL CONSERVATION DIVISION
 Approved by: ORIGINAL SIGNED BY TIM W. GUM
 DISTRICT II SUPERVISOR
 Title:
 Approval Date: 3-1-99

⁴⁷ 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

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

*clsf
up*

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

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

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30-015-30395

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Samuel Burns 34 State

8. Well No.
3

9. Pool name or Wildcat
Travis; Upper Penn

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. Type of Well:
OIL WELL GAS WELL OTHER

2. Name of Operator
Marathon Oil Company

3. Address of Operator
P.O. Box 2490 Hobbs, NM 88240

4. Well Location
Unit Letter **B** : ~~990~~ ⁴²² Feet From The **North** Line and ~~2820~~ ²¹⁰⁰ Feet From The **East** Line
Section **34** Township **18S** Range **28E** NMPM **Eddy** County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
GL 3535' KB 3553'

11. 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

SUBSEQUENT REPORT OF:

REMEDIAL WORK
COMMENCE DRILLING OPNS.
CASING TEST AND CEMENT JOB
OTHER: **New Well Completion**

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.

- 2/2 MIRU pulling unit. NU BOPE. RIH w/dc's, tag cmt at 8533'. DO DV tool at 8543'. DO to 9954'. Circ clean. Pickle tbg w/1500 gals 15% HCL. PUH to 9908'. spot 1000 gals 15% acid. TOOH. Run logs 8990-9990'.
- 2/5 Perf 9842-54', 9860-70', 9888-96', 9904-08', 4 SPF 120 deg phasing. 136 holes. TIH w/pkr, set at 9744'. ND BOP. NU wellhead. Swab
- 2/10 Acid frac 9842-9908' w/4250 gal pad & 8500 gals 15% acid w/204 BS. Swab back acid. Flow test well.
- 2/13 RD pulling unit.
- 2/20 Place well on rod pump. RIH. rel pkr at 9744', POOH. POOH w/tbg. RIH w/2 7/8" tbg. RIH w/pump & rods. Load and test, OK.
- 2/23 RD pulling unit.
SN at 9942'.
End of tbg 9973'.

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

SIGNATURE *Kelly Cook* TITLE Records Processor DATE 3/1/99
TYPE OR PRINT NAME Kelly Cook TELEPHONE NO. 393-7106

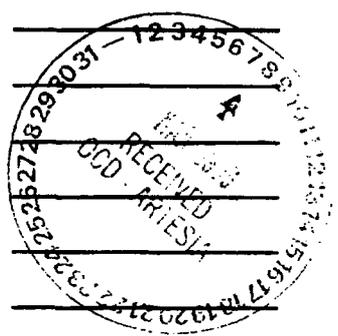
(This space for State Use)
APPROVED BY *Jim W. [Signature]* TITLE District Supervisor DATE 3-11-99

CONDITIONS OF APPROVAL, IF ANY:

WELL NAME AND NUMBER Samuel Burns "34" State #3
 LOCATION Section 34, T-18-S, R-28-E, Eddy County, New Mexico
 OPERATOR Marathon Oil Co., P.O. Box 552, Midland, Texas 79702
 DRILLING CONTRACTOR TMBR/Sharp Drilling, Inc., P. O. Drawer 10970, Midland, TX 79702

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

Degrees @ Depth	Degrees @ Depth	Degrees @ Depth	Degrees @ Depth
<u>.75 @ 251'</u>	<u>1.75 @ 3,073'</u>	<u>.50 @ 6,834'</u>	<u>4.00 @ 9,577'</u>
<u>.50 @ 854'</u>	<u>1.50 @ 3,332'</u>	<u>.50 @ 7,108'</u>	<u>4.00 @ 9,705'</u>
<u>.75 @ 1,104'</u>	<u>1.50 @ 3,581'</u>	<u>.50 @ 7,335'</u>	<u>3.50 @ 9,831'</u>
<u>.50 @ 1,331'</u>	<u>1.50 @ 3,799'</u>	<u>.75 @ 7,586'</u>	<u>3.75 @ 9,924'</u>
<u>1.00 @ 1,540'</u>	<u>1.50 @ 4,050'</u>	<u>.50 @ 7,836'</u>	<u>2.75 @ 10,016'</u>
<u>1.50 @ 1,768'</u>	<u>2.00 @ 4,300'</u>	<u>.25 @ 8,147'</u>	
<u>1.50 @ 1,830'</u>	<u>1.50 @ 4,555'</u>	<u>.25 @ 8,391'</u>	
<u>1.75 @ 1,958'</u>	<u>1.75 @ 4,831'</u>	<u>1.25 @ 8,641'</u>	
<u>2.00 @ 2,103'</u>	<u>1.25 @ 5,082'</u>	<u>3.00 @ 8,889'</u>	
<u>1.75 @ 2,197'</u>	<u>1.00 @ 5,333'</u>	<u>5.25 @ 9,139'</u>	
<u>1.75 @ 2,333'</u>	<u>.50 @ 5,581'</u>	<u>5.00 @ 9,189'</u>	
<u>1.75 @ 2,489'</u>	<u>.50 @ 5,832'</u>	<u>5.75 @ 9,298'</u>	
<u>1.75 @ 2,666'</u>	<u>.50 @ 6,112'</u>	<u>5.50 @ 9,326'</u>	
<u>1.75 @ 2,791'</u>	<u>.50 @ 6,364'</u>	<u>5.50 @ 9,420'</u>	
<u>2.00 @ 2,927'</u>	<u>.25 @ 6,584'</u>	<u>4.75 @ 9,515'</u>	

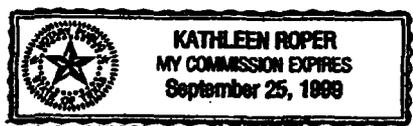


Drilling Contractor TMBR/Sharp Drilling, Inc.

By Jeffrey D. Phillips
 Jeffrey D. Phillips, Vice President

Subscribed and sworn to before me this 27th day of January, 19 99

Kathleen Roper
 Notary Public Kathleen Roper



Commission expires 9/25/99

Midland County, Texas

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northeastern New Mexico

T. Anhy _____	T. Canyon _____ 9464'	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____ 9651'	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____ 655'	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____ 1772'	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 2536'	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____ 3700'	T. Entrada _____	T. _____
T. Abo _____	T. 1st BSGL Sand _____ 6334'	T. Wingate _____	T. _____
T. Wolfcamp _____ 8473'	T. 2nd BSGL Sand _____ 6913'	T. Chinle _____	T. _____
T. Penn _____	T. 3rd BSGL Sand _____ 8135'	T. Permian _____	T. _____
T. Cisco (Bough C) _____ 9120'	T. _____	T. Penn "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____ No. 3, from _____ to _____
 No. 2, from _____ to _____ No. 4, 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 _____

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 Pacheco St.
 Santa Fe, NM 87505

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

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

*CISF
 BLM
 BLM
 SLD*

Form C-105
 Revised 1-1-89

WELL API NO.
30-015-30395

5. Indicate Type Of Lease
 STATE FEE

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER
 b. Type of Completion:
 NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR OTHER

7. Lease Name or Unit Agreement Name
Samuel Burns 34 State

2. Name of Operator
Marathon Oil Company

8. Well No.
3

3. Address of Operator
P.O. Box 2490 Hobbs, NM 88240

9. Pool name or Wildcat
Travis; Upper Penn

4. Well Location
 Unit Letter **B** : **890** Feet From The **North** Line and **2020** Feet From The **East** Line
 Section **34** Township **18S** Range **28E** NMPM **Eddy** County

10. Date Spudded **1/7/99** 11. Date T.D. Reached **1/25/99** 12. Date Compl.(Ready to Prod.) **2/5/99** 13. Elevations(DF & RKB, RT, GR, etc.) **GL 3535' KB 3553'** 14. Elev. Casinghead

15. Total Depth **10,040'** 16. Plug Back T.D. **9990'** 17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By **X** Rotary Tools Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name **Travis; Upper Penn 9842-9908'** 20. Was Directional Survey Made **Yes - See Attached**

21. Type Electric and Other Logs Run **Yes - See Attached** 22. Was Well Cored

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	448'	17 1/2"	400 SXS	
9 5/8"	36#	2957'	12 1/4"	1250 SXS	
7"	23 & 26#	10,040'	8 3/4"	1025 SXS	

24. LINER RECORD **25. TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	9973	

26. Perforation record (interval, size, and number)
9842 - 9908 4 SPF

27. ACID, SHOT, FRACTURE, CEMENT, SOBEZE, ETC.
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
9842-9908 4250 gals pad, 8500 15% acid w/204 BS

28. PRODUCTION

Date First Production **2/5/99** Production Method (Flowing, gas lift, pumping - Size and type pump) **Pumping** Well Status (Prod. or Shut-in) **Producing**

Date of Test **2/28/99** Hours Tested **24** Choke Size **120** Prod'n For Test Period **282** Oil - Bbl. **72** Gas - MCF **2350** Water - Bbl. **160** Gas - Oil Ratio

Flow Tubing Press. **80** Casing Pressure **160** Calculated 24-Hour Rate **160** Oil - Bbl. **80** Gas - MCF **160** Water - Bbl. **160** Oil Gravity - API (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.) **Sold** Test Witnessed By

30. List Attachments
Deviation Survey Logs

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature *Kelly Cook* Printed Name Kelly Cook Title Records Processor Date 3/5/99

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
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

CISF
BY
GK
WV

Form C-104
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Marathon Oil Company P.O. Box 2490 Hobbs, NM 88240		² OGRID Number 014021
⁴ API Number 30-0 30-015-30395		³ Reason for Filing Code NW Eff 2/5/99
⁷ Property Code 23057	⁵ Pool Name Travis; Upper Penn	⁶ Pool Code 59860
	⁸ Property Name Samuel Burn 34 State	⁹ 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
B	34	18S	28E		890	North	2020	East	Eddy

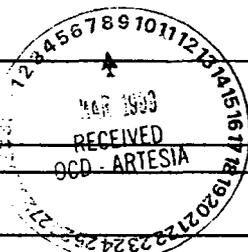
Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
					490		2100		

¹² Lse Code State	¹³ Producing Method Code Pumping	¹⁴ Gas Connection Date 2/15/99	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
---------------------------------	--	--	-----------------------------------	------------------------------------	-------------------------------------

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
15694	Navajo Refining PO Box 159 Artesia, NM 88211	2821154	0	UL I, Sec.33, T-18-S, R-28-E Travis Field Battery
0990	ARCO PO Box 1610 Midland, TX 79702	2821597	G	UL C, Sec.34, 5-18-S, R-28-E Meter at S.Burns 34 State No. 1.



IV. Produced Water

²³ POD 2821156	²⁴ POD ULSTR Location and Description UL I, Sec. 33, T-28-S, R-28-E Travis Field Battery
------------------------------	---

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBD	²⁹ Perforations	³⁰ DHC, DC, MC
1/7/99	2/5/99	10,040'	9990'	9842-9908'	
³¹ Hole Size	³² Casing & Tubing Size		³³ Depth Set	³⁴ Sacks Cement	
17 1/2"	13 3/8" 48#	448'	Best TD-2	400 sxs	
12 1/4"	9 5/8" 36#	2957'	3-26-99	1250 sxs	
8 3/4"	7" 26 & 23#	10,040'	comp	1025 sxs	

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
2/2/99	2/15/99	2/28/99	24	160	80
⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method
120		72	282		Pumping

⁴⁷ 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: Kelly Cook	Approved by: OIL CONSERVATION DIVISION ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR
Printed name: Kelly Cook	Title: B60
Title: Records Processor	Approval Date: 3-11-99
Date: 3/5/99	Phone: 393-7106

⁴⁷ 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



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

**OIL CONSERVATION DIVISION
811 South 1st Street
Artesia, New Mexico 88210
Phone: (505) 748-1283
Fax: (505) 748-9720**

Jennifer A. Salisbury
CABINET SECRETARY

May 10, 1999

Marathon Oil Company
P.O. Box 2490
Hobbs, N.M. 88240

Re: **Well Placed In Pool**

Gentlemen/Madams:

As the result of Division Order R-11172, the following described oil well has been placed in the pool shown below. This change in nomenclature has been made in our files. Please change your records to reflect the proper pool name. All subsequent reports must show this nomenclature until further notice.

**Travis; Upper Pennsylvanian Oil Pool
Samuel Burns '34' State #3
Unit B, Section 34, Township 18 South, Range 28 East, NMPM
Poolcode: 59860**

Transporters are advised by copy of this letter, to change their records to reflect the pool name as established by this order, effective February 1, 1999.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bryan Arrant".

Bryan Arrant
District Geologist

Cc: Navajo Refining Company
ARCO
Mae
Santa Fe
Well file

District I
162 1/2 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-104A
August 11, 2000

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Submit 1 copy of the final affected wells list along with 2 copies of this form per number of wells on that list to appropriate District Office

Change of Operator

Previous Operator Information:

New Operator Information:

OGRID: 014021
Name: Marathon Oil Company
Address: P.O. Box 2490
Address: 2350 W. Mansland
City, State, Zip: Hobbs NM 88240

Effective Date: 11/01/00
New Ogrid: 024010
New Name: V-F PETROLEUM INC.
Address: P.O. BOX 1889
Address: _____
City, State, Zip: MIDLAND, TEXAS 79702

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the attached list of wells is true and complete to the best of my knowledge and belief.

New Operator
Signature: S. K. Lawlis

Printed name: S. K. LAWLIS

Title: VICE PRESIDENT

Date: 12/08/00 Phone: (915) 683-3344



Previous operator complete below:

Previous
Operator: MARATHON OIL COMPANY
Previous
OGRID: 014021
Signature: Kelly Cook 12/11/00
Printed
Name: KELLY COOK, RECORDS PROCESSOR

NMOCD Approval	
Signature:	<u>Jim W. Beem</u>
Printed Name:	<u>District Supervisor</u>
District:	_____
Date:	<u>JAN 10 2000</u>

27094



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 6072
Order No. R-5643

NOMENCLATURE

APPLICATION OF HARVEY E. YATES CO.
FOR POOL CREATION AND SPECIAL POOL
RULES, EDDY COUNTY, NEW MEXICO.

Also see
R-5643-A

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 16, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of February, 1978, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Harvey E. Yates Co., seeks the creation of a new oil pool for Upper Pennsylvanian production in Eddy County, New Mexico.
- (3) That the applicant also seeks the promulgation of special rules for said pool, including a provision for 80-acre proration units.
- (4) That the evidence presently available indicates that applicant's Travis Deep Well No. 2, located in Unit G of Section 13, Township 18 South, Range 28 East, Eddy County, New Mexico, has discovered a separate common source of supply which should be designated the Travis-Upper Pennsylvanian Pool; that the vertical limits of said pool should be the Upper Pennsylvanian formation and that the horizontal limits of said pool should be as follows:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 13: NE/4

(5) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 80-acre spacing units should be promulgated for the Travis-Upper Pennsylvanian Pool.

(6) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(7) That the temporary special rules and regulations should be established for a one-year period in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(8) That this case should be reopened at an examiner hearing in March, 1979, at which time the operators in the subject pool should be prepared to appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That a new pool in Eddy County, New Mexico, classified as an oil pool for Upper Pennsylvanian production, is hereby created and designated the Travis-Upper Pennsylvanian Pool, with vertical limits comprising the Upper Pennsylvanian formation, and horizontal limits comprising the following-described area:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 13: NE/4

(2) That temporary Special Rules and Regulations for the Travis-Upper Pennsylvanian Pool, Eddy County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
TRAVIS-UPPER PENNSYLVANIAN POOL

RULE 1. Each well completed or recompleted in the Travis-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof, and not nearer to or within the limits of another designated Upper Pennsylvanian oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a governmental quarter section; provided however,

that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit comprising a governmental quarter-quarter section or lot, or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. Top unit allowable for a standard proration unit (79 through 81 acres) shall be based on a depth bracket allowable of 355 barrels per day, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Travis-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Artesia District office of the Commission in writing of the name and location of the well on or before April 1, 1978.

Case No. 6072
Order No. R-5643

(2) That, pursuant to Paragraph A. of Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, existing wells in the Travis-Upper Pennsylvanian Pool shall have dedicated thereto 80 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 65-3-14.5, existing wells may have non-standard spacing or proration units established by the Commission and dedicated thereto.

Failure to file new Forms C-102 with the Commission dedicating 80 acres to a well or to obtain a non-standard unit approved by the Commission within 60 days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said 60-day limitation, each well presently drilling to or completed in the Travis-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof shall receive no more than one-half of a standard allowable for the pool.

(3) That this case shall be reopened at an examiner hearing in March, 1979, at which time the operators in the subject pool should be prepared to appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

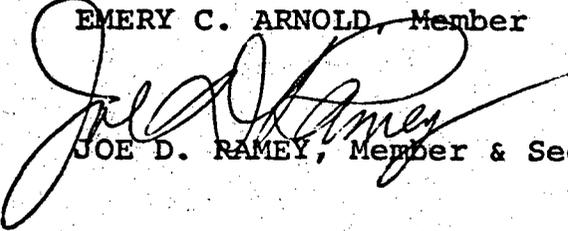
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

S E A L

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6072 (Reopened)
Order No. R-5643-A

IN THE MATTER OF CASE 6072 BEING
REOPENED PURSUANT TO THE PROVISIONS OF
ORDER NO. R-5643, WHICH ORDER ESTABLISHED
SPECIAL RULES AND REGULATIONS FOR THE
TRAVIS-UPPER PENNSYLVANIAN POOL, EDDY
COUNTY, NEW MEXICO, INCLUDING A PROVISION
FOR 80-ACRE PRORATION UNITS.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 25, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 2nd day of May, 1979, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That by Order No. R-5643, dated February 14, 1978, temporary special rules and regulations were promulgated for the Travis-Upper Pennsylvanian Pool, Eddy County, New Mexico, establishing temporary 80-acre spacing units.
- (3) That pursuant to the provisions of Order No. R-5643, this case was reopened to allow the operators in the subject pool to appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

(4) That while the evidence presented establishes that one well in the Travis-Upper Pennsylvanian Pool can drain and develop 80 acres, the evidence demonstrated that normal methods of operation will result in a relatively low rate of recovery from said pool.

(5) That the operators in said Travis-Upper Pennsylvanian Pool should prepare a plan for pool development which will result in the greater ultimate recovery therefrom and present such plan to the Director of the Division within 12 months after the date of this order.

(6) That upon the failure of the operators to present such plan to the Director, or if the Director determines such plan to be inadequate, this case should be reopened to allow the operators in the subject pool to appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

(7) That under the conditions set out in Findings Nos. (5) and (6) above, the Special Rules and Regulations promulgated by Order No. R-5643 have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the gas in the pool.

(8) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-5643 should be continued in full force and effect until further order of the Division.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Travis-Upper Pennsylvanian Pool, Eddy County, New Mexico, promulgated by Order No. R-5643, are hereby continued in full force and effect until further order of the Division.

(2) That the operators in said Travis-Upper Pennsylvanian Pool shall prepare a plan for pool development which will result in the greater ultimate recovery therefrom and present such plan to the Director of the Division within 12 months after the date of this order.

-3-

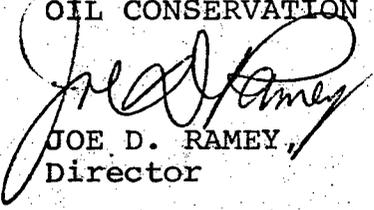
Case No. 6072 (Reopened)
Order No. R-5643-A

(3) That upon the failure of the operators to present such plan to the Director, or if the Director determines such plan to be inadequate, this case shall be reopened to allow the operators in the subject pool to appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY,
Director

S E A L

dr/

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

NOMENCLATURE
CASE NO. 11964
ORDER NO. R-5643-B

**APPLICATION OF MARATHON OIL COMPANY TO AMEND THE SPECIAL
RULES AND REGULATIONS FOR THE TRAVIS-UPPER PENNSYLVANIAN
POOL, EDDY COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on April 16, 1998 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 4th day of June, 1998, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.
- (2) By Order No. R-5643, dated February 14, 1978, the Division, upon application of Harvey E. Yates Company:
 - (a) created and defined the Travis-Upper Pennsylvanian Pool for the production of oil from the upper Pennsylvanian system (Cisco and Canyon formations) with horizontal limits initially comprising the NE/4 of Section 13, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico;

- (b) promulgated temporary special rules and regulations therefor including provisions for:
 - (i) standard 80-acre oil spacing and proration units; and,
 - (ii) designated well location requirements such that each well is to be located within 150 feet of the center of a governmental quarter-quarter section or lot; and,
- (c) pursuant to Rules 505 and 506 of the Division's statewide Rules and Regulations, assigned a standard 80-acre oil spacing and proration unit within the Travis-Upper Pennsylvanian Pool a top unit depth bracket allowable of 355 barrels of oil per day and a limiting gas/oil ratio ("GOR") of 2,000 cubic feet of gas per barrel of oil which results in a casinghead gas allowable of 710 MCF per day.

(3) Division Order No. R-5643-A, dated May 2, 1979, made permanent the temporary "*Special Pool Rules for the Travis-Upper Pennsylvanian Pool.*"

(4) The current pool boundaries for the Travis-Upper Pennsylvanian Pool in Eddy County, New Mexico, include the following described acreage:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 12:	S/2 SE/4
Section 13:	N/2 and N/2 S/2
Section 14:	SE/4
Section 23:	N/2 and SW/4.

(5) At this time the applicant, Marathon Oil Company ("Marathon"), seeks the adoption of a new rule for the Travis-Upper Pennsylvanian Pool increasing the limiting gas/oil ratio from 2,000 to 7,000 cubic feet of gas per barrel of oil resulting in an increased casinghead gas allowable of 2,485 MCF per day and the amendment of Rule 4 of the "*Special Rules and Regulations for the Travis-Upper Pennsylvanian Pool*" to provide for well locations not closer than 330 feet to any outer boundary of a governmental quarter-

quarter section.

(6) In 1997, Marathon drilled the following two wells originally intended as Morrow formation gas wells but subsequently recompleted up-hole into the Upper-Pennsylvanian interval in February 1998:

- (a) Crockett "27" Well No 1 (API No. 30-015-29837), located 1650 feet from the South line and 1980 feet from the West line (Unit K) Section 27, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico; and,
- (b) Buchanan "33" Well No 1 (API No. 30-015-29890), located 2000 feet from the South line and 660 feet from the East line (Unit I) Section 33, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

(7) Within the Travis Upper-Pennsylvanian Pool there are currently five active producing oil wells located in Sections 14 and 23 of Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

(8) Marathon presented geologic evidence which demonstrates that:

- (a) oil production from all of the wells in this pool including the recently drilled Buchanan and Crockett wells can be attributed to the Canyon formation of the Upper-Pennsylvanian system;
- (b) the Canyon formation in this general area is a relatively thin northeast-southwest trending, laterally continuous carbonate development, composed of interconnected algal limestone buildups;
- (c) the Crockett and Buchanan wells are part of the same common source of supply as the wells within the current pool boundary of the Travis-Upper Pennsylvanian Pool;

Nomenclature

Case No. 11964

Order No. R-5643-B

Page 4

- (d) in order to provide the greatest opportunity to maximize efficient recovery of hydrocarbons from this structure and to avoid waste, future wells should be located at the point of greatest porosity thickness; and,
- (e) Rule 4 of the special pool rules, which currently provides for well locations within 150 feet of the center of a governmental quarter-quarter line, should be amended so that additional flexibility is provided operators by allowing wells to be located not closer than 330 feet to the outer boundary of any governmental quarter-quarter section.

(9) The following technical and engineering evidence was presented by Marathon:

- (a) from step rate tests and variable producing rate tests conducted on the Crockett "27" Well No. 1 and the Buchanan "33" Well No. 1, the most efficient rate of flow is at a GOR of approximately 7,000 cubic feet of gas per barrel of oil produced and attempts to restrict these wells to the statewide 2,000 cubic feet of gas to one barrel of oil limiting GOR adversely impacts each well's ability to maximize oil production and therefore is wasteful;
- (b) pressure build up analysis conducted on the two Marathon wells establishes a radius of investigation of not less than 1600 feet for the Buchanan Well and not less than 2,000 feet for the Crockett Well, which demonstrates that these two wells have good permeability and the ability to produce the hydrocarbons underlying an 80-acre proration and spacing unit;
- (c) production logs for the two Marathon wells establish that both the oil and gas production is being produced from the same set of perforations, which

indicates that a gas cap does not exist in this pool; and

- (d) the Buchanan and Crockett wells had an initial reservoir pressure between 2319 psi and 2420 psi, which indicates some degree of pressure communication with the older wells in this pool.

(10) In accordance with Division Rule 1207, Marathon provided proper notice to all entitled parties. Ocean Energy, Inc. (formerly UMC Petroleum Corporation) appeared at the hearing through counsel in support of Marathon's application. Moreover, no other interested party appeared in opposition to this application.

(11) The geological and engineering evidence presented demonstrates that:

- (a) the pool is a solution gas drive reservoir with wells capable of producing at high GOR rates;
- (b) there is no indication that a gas cap exists or is being formed up-structure to the oil wells; and
- (c) more hydrocarbon liquids were recovered per cubic feet of gas produced at a GOR rate up to 7,000 to one thereby preventing waste and potentially improving ultimate recovery.

(12) The Travis-Upper Pennsylvanian Pool should therefore be extended to include the following described acreage in Eddy County, New Mexico:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 22:	SE/4
Section 27:	N/2 and SW/4
Section 33:	E/2
Section 34:	NW/4.

(13) In order to avoid shutting in or curtailing any well in the Pool as a result of allowables under the statewide rules, which are inappropriate in this case, the effective date of this order should be made retroactive to February 1, 1998.

(14) Approval of Marathon's request will allow all mineral interest owners

within the Travis-Upper Pennsylvanian Pool the opportunity to economically recover their fair share of the oil and casinghead gas, will not reduce ultimate recovery from the subject pool, and will not violate correlative rights.

IT IS THEREFORE ORDERED THAT:

- (1) The effective date of this order shall be retroactive to February 1, 1998.
- (2) The Travis-Upper Pennsylvanian Pool in Eddy County, New Mexico, is extended to include:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 22:	SE/4
Section 27:	N/2 and SW/4
Section 33:	E/2
Section 34:	NW/4.

- (3) Rule 4 of the "*Special Rules and Regulations for the Travis-Upper Pennsylvanian Pool*," as promulgated by Division Order No. R-5643, as amended, is hereby amended to read in its entirety as follows:

RULE 4: Each well shall be located no closer than 330 feet to the outer boundary of any quarter-quarter section or lot.

IT IS FURTHER ORDERED THAT:

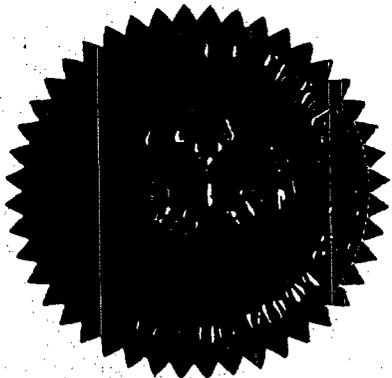
- (4) The special rules and regulations governing the Travis-Upper Pennsylvanian Pool contained in Division Order No. R-5643, as amended, are hereby amended further by the insertion of Rule 7 as follows:

RULE 7: The limiting gas-oil ratio for the Travis-Upper Pennsylvanian Pool is 7,000 cubic feet of gas for each barrel of oil.

- (5) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

Nomenclature
Case No. 11964
Order No. R-5643-B
Page 7

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
Director