

PNRM 0400856923

C-103 Received 1-5-2004
DHC Assigned 1-8-2004

Order Number	API Number	Operator		County			
HOB-0068	30-025-25131	Marathon Oil Company		Lea			
Order Date	Well Name		Number	Location			
	Walter Lynch		006	F	1	225	37E
				UL	Sec	T (+Dir)	R (+Dir)
			Oil %	Gas %			
Pool 1	06660	Blinebry Oil & Gas (Oil)	40%	45%			
Pool 2	86440	Tubb Oil & Gas (Pro Gas)	0%	15%			
Pool 3	07900	Brunson Drinkard Abo, South	40%	20%			
Pool 4	62730	Wantz Granite Wash	20%	20%			
Comments:							
Work completed effective _____							
Work cancelled effective _____							
Supplement _____							

1-8-2004
Posted
R B Dyma

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised June 10, 2003

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-25131
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Walter Lynch
8. Well Number #6
9. OGRID Number
10. Pool name or Wildcat Blinebry, Tubb, Brunson South & Wantz

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 552 Midland, TX 79702

4. Well Location
 Unit Letter F : 2,310' feet from the North line and 1,980' feet from the West line
 Section 1 Township 22s Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3,364' - KB

12. 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"/>
NULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Downhole Commingle <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

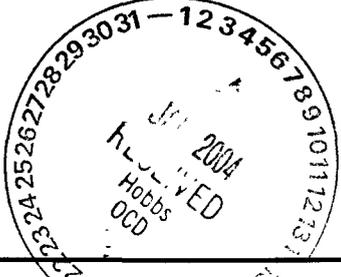
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Marathon Oil Company requests authorization to downhole commingle the Blinebry, Tubb, Brunson, South (Drinkard-Abo) & Wantz (Granite Wash) pools in the Walter Lynch Well No. 6

The scope of the proposed workover is to drill out bridge plugs to reactivate the temporarily abandoned Tubb, Brunson, South (Drinkard-Abo) & Wantz (Granite Wash) zones, and return the well to rod pump.

Please find attached a wellbore diagram and production plots for all zones.

DHC Order No. HOB-0068



I hereby certify that the information above is true and complete to the best of my knowledge and belief.
 SIGNATURE Brent Lockhart TITLE Engineer DATE 12/30/03

Type or print name Brent Lockhart E-mail address: BDLockhart@MarathonOil.com Telephone No. 713 296 2224

(This space for State use)
 APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE 1-13-2004
 Conditions of approval, if any:

**Walter Lynch Well No. 6
DHC Attachment**

- i) Pre-approved pool status was established by Division Order R-11363
- ii) Blinebry Oil & Gas (6660), Tubb (86440), Brunson, South (Drinkard- Abo) (7900) & Wantz (Granite Wash) (62730)
- iii) Blinebry Oil & Gas (5,476' – 5,806'), Tubb (5,965' – 6,194'), Brunson, South (Drinkard- Abo) (6,319' – 7,266') & Wantz (Granite Wash) (7,404' – 7,455')
- iv) Blinebry Oil & Gas (45% gas & 40% oil), Tubb (15% gas & 0% oil), Brunson, South (Drinkard- Abo) (20% gas & 40% oil) & Wantz (Granite Wash) (20% gas & 20% oil). Supported from tests prior to temporary abandonment.
- v) The proposed commingling will not reduce the value of the total remaining production
- vi) The ownership and percentages are identical for the zones.

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

June 12, 1980

STATE OF NEW MEXICO
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Marathon Oil Company
P. O. Box 2409
Hobbs, New Mexico 88240

Attention: Patrick Burton

Administrative Order No. DHC-316
Walter Lynch Well No. 6, Unit F,
Section 1, Township 22 South,
Range 37 East, NMPM, Lea County,
New Mexico, Drinkard Pool and Wantz-
Granite Wash Pool

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the well-bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Division Order No. MC-2244, which authorized the dual completion and required separation of the zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by top unit allowable for the Wantz-Granite Wash Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: Oil 63%, Gas 93%
Lower Pool: Oil 37%, Gas 7%

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State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 March 4, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-25131
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

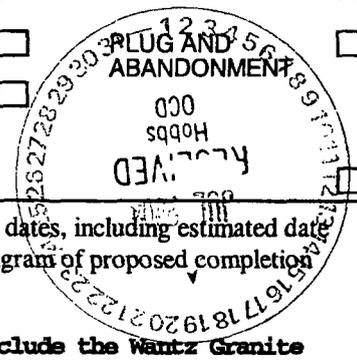
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Downhole Commingle	7. Lease Name or Unit Agreement Name: Walter Lynch
2. Name of Operator Marathon Oil Company	8. Well Number 6
3. Address of Operator P.O. Box 3487, Houston Texas 77253-3487	9. OGRID Number 14021
4. Well Location Unit Letter F : 2310 feet from the North line and 1980' feet from the West line Section 1 Township 22-S Range 37-E NMPM County Lea	10. Pool name or Wildcat Multiple
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL 3353'	

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit location: UL _____ Sect _____ Twp _____ Rng _____ Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____
 Distance from nearest surface water _____ Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ;
 _____ feet from the _____ line and _____ feet from the _____ line

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Amend Downhole Commingle Permit <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Marathon Oil Company is requesting that DHC Order No. HOB-0068 be amended to exclude the Wantz Granite Wash reservoir (62730). Marathon was unable to reactivate this reservoir in the Walter Lynch No. 6 at this time due to an obstruction (old packer @ 7282').

Please see the attached documents for a new production profile, production plots, and wellbore diagram.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan

SIGNATURE Charles E. Kendrick TITLE Engineering Technician DATE 07/13/2004
 E-mail address: cekendrix@MarathonOil.com
 Telephone No. 713-296-2096

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JUL 20 2004
 Conditions of approval, if any:

**Walter Lynch No. 6
DHC Amended Attachment**

- i) Pre-approved pool status was established by Division Order R-11363
- ii) Blinebry Oil & Gas (06660), Tubb Oil & Gas (86440),
& Brunson Drinkard-Abo, South (07900)
- iii) Blinebry Oil & Gas (5476'-5806'), Tubb Oil & Gas (5965'-6194')
Brunson Drinkard-Abo, South (6319'-7266')
- iv) Blinebry Oil & Gas (56% gas & 50% oil), Tubb Oil & Gas (19% gas & 0 % oil)
Brunson Drinkard-Abo, South (25% gas & 50% oil) Supported from tests prior to
temporary abandonment.
- v) The proposed commingling will not reduce the value of the total remaining
production.
- vi) The ownership and percentages of ownership are identical for the zones.