

pNRM 0430054457

C-103 Received 7-26-2004
DHC No. Assigned 10-26-2004

Order Number HOB-0062A	API Number 30-025-10218	Operator Marathon Oil Company	County Lea	
Order Date 	Well Name Lou Worthan	Number 009	E UL	11 Sec
			22 S T (+Dir)	37 E R (+Dir)
Pool 1	72480	Blinebry Oil & Gas (Pro Gas)	Oil % 100%	Gas % 80%
Pool 2	86440	Tubb Oil & Gas (Pro Gas)	0%	20%
Pool 3				
Pool 4				
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____				

10-26-2004
Posted to
RBDML



Horizontal TD 4-19-2001
Producing 5-1-2001 Blinebry

Previously HOB-0062

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-10218

OPERATOR: Marathon Oil Company

HOB-0062A

PROPERTY NAME: Low Worthan

WNULSTR: 9-E, 11-22-37

72480

SECTION I: ALLOWABLE AMOUNT

POOL NO. 1 Blinebry Oil + Gas (Pro Gas) 999 9999 MCF 9999

86440

POOL NO. 2 Tubb Oil + Gas (Pro Gas) 999 9999 MCF 9999

POOL NO. 3 _____ MCF

POOL NO. 4 _____ MCF

POOL TOTALS _____

SECTION II:

POOL NO. 1 Blinebry Oil + Gas (Pro Gas) Oil 100% Gas 80%

POOL NO. 2 Tubb Oil + Gas (Pro Gas) 0% 20%

POOL NO. 3 _____

POOL NO. 4 _____

OIL

GAS

SECTION III:

SECTION IV:

1-16-96 ZA Subt

10-26-2004

Add refs to Blincoy

12-21-1995 TA Subt

12-22-1995 (Approved)

30-025-10218

Horizontal ID 4-19-2001

Producing 5-1-2001 Blincoy

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 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
 March 4, 2004

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

WELL API NO. 30-025-10218
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: Lou Worthan
8. Well Number 9
9. OGRID Number 14021
10. Pool name or Wildcat Blinebry 72480 / Tubb 86440

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 checked="" type="checkbox"/> Other <u>Downhole Commingle</u>
2. Name of Operator <u>Marathon Oil Company</u>
3. Address of Operator <u>P.O. Box 3487, Houston Texas 77253-3487</u>
4. Well Location Unit Letter <u>E</u> : <u>1905</u> feet from the <u>North</u> line and <u>440</u> feet from the <u>West</u> line Section <u>11</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>GL 3366'</u>

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 PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPLETION
 OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
 CASING TEST AND CEMENT JOB
 OTHER: Downhole Commingle

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 is requesting that the DHC Order No. HOB -0062 be amended to reflect the correct gas reservoir numbers for the Lou Worthan No. 9 well. The original DHC request filed dated as 11/20/2003 was filed with the wrong pool codes for both the Blinebry and the Tubb reservoirs. This well has always been classified as a gas well in both zones, and it will not meet the GOR specifications for oil wells in either zone.

Please see the attached revised details for the well.

DHC Order No. HOB-0062A

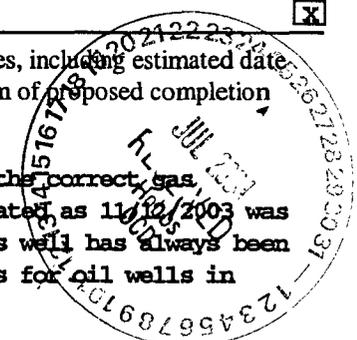
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan

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

(This space for State use)

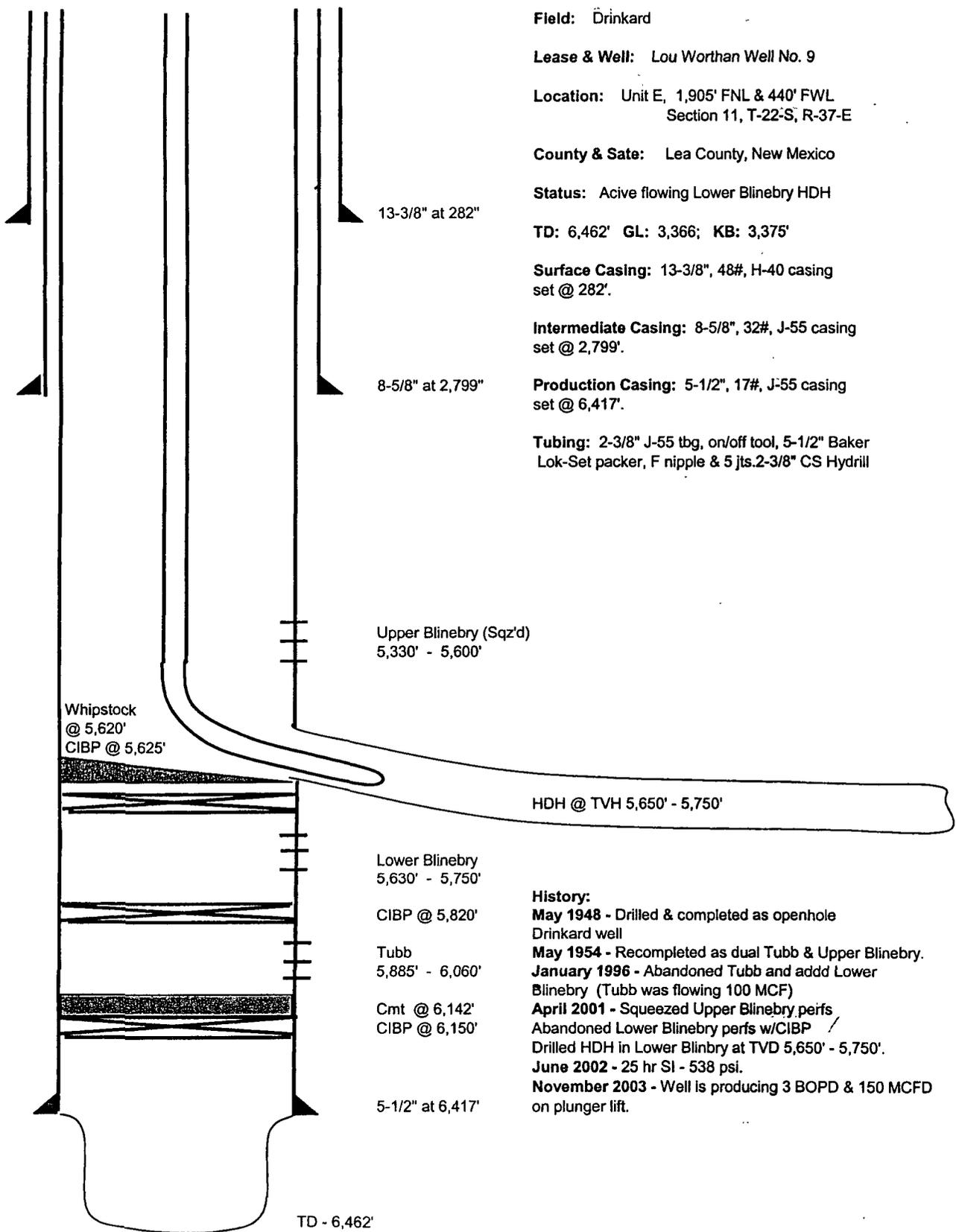
APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE OCT 26 2004

Conditions of approval, if any:



**Lou Worthan No. 9
DHC Attachment**

- i.) Pre-approved pool status was established by Division Order R-11363
- ii.) Blinebry Oil & Gas (72480) & Tubb Oil & Gas (86440)
- iii.) Blinebry Oil & Gas (5,330' – 5,750') and HDH @ TVD 5,650' – 5,750'
Tubb Oil & Gas (5885' – 6060')
- iv.) Blinebry Oil & Gas (80% gas & 100% oil), Tubb Oil & Gas (20% gas & 0% oil)
- 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.



Field: Drinkard
Lease & Well: Lou Worthan Well No. 9
Location: Unit E, 1,905' FNL & 440' FWL
 Section 11, T-22-S, R-37-E
County & State: Lea County, New Mexico
Status: Active flowing Lower Blinebry HDH
TD: 6,462' **GL:** 3,366; **KB:** 3,375'
Surface Casing: 13-3/8", 48#, H-40 casing
 set @ 282'.
Intermediate Casing: 8-5/8", 32#, J-55 casing
 set @ 2,799'.
Production Casing: 5-1/2", 17#, J-55 casing
 set @ 6,417'.
Tubing: 2-3/8" J-55 tbg, on/off tool, 5-1/2" Baker
 Lok-Set packer, F nipple & 5 jts. 2-3/8" CS Hydrill

Upper Blinebry (Sqz'd)
5,330' - 5,600'

Whipstock
@ 5,620'
CIBP @ 5,625'

HDH @ TVH 5,650' - 5,750'

Lower Blinebry
5,630' - 5,750'

CIBP @ 5,820'

Tubb
5,885' - 6,060'

Cmt @ 6,142'
CIBP @ 6,150'

5-1/2" at 6,417'

TD - 6,462'

History:
May 1948 - Drilled & completed as openhole
 Drinkard well
May 1954 - Recompleted as dual Tubb & Upper Blinebry.
January 1996 - Abandoned Tubb and addd Lower
 Blinebry (Tubb was flowing 100 MCF)
April 2001 - Squeezed Upper Blinebry perfs
 Abandoned Lower Blinebry perfs w/CIBP
 Drilled HDH in Lower Blinbry at TVD 5,650' - 5,750'.
June 2002 - 25 hr SI - 538 psi.
November 2003 - Well is producing 3 BOPD & 150 MCFD
 on plunger lift.

District I
1625 N. French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-10218	² Pool Code 6660	³ Pool Name Blinbry Oil & Gas (Oil)
⁴ Property Code 6488	⁵ Property Name Lou Worthan	⁶ Well Number 9
⁷ OGRID No. 14021	⁸ Operator Name Marathon Oil Company	⁹ Elevation KB 3,366'

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
E	11	22-S	37E		1,905'	North	440'	West	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 80	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

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Brent Lockhart</i></p> <p>Signature</p> <p>Brent Lockhart Printed Name</p> <p>Engineer BDLockhart@MarathonOil.com</p> <p>Title and E-mail Address</p> <p>3/1/04 Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

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Revised June 10, 2003
Submit to Appropriate District Office
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-10218		² Pool Code 60240		³ Pool Name Tubb Oil & Gas (Oil)	
⁴ Property Code 6488		⁵ Property Name Lou Worthan			⁶ Well Number 9
⁷ OGRID No. 14021		⁸ Operator Name Marathon Oil Company			⁹ Elevation KB 3,366'

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
E	11	22-S	37E		1,905'	North	440'	West	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.
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	<p>¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>