



July 14, 1994

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504
Attn: Mr. Ben Stone, Engineer

RE: APPLICATION FOR EXCEPTION TO RULE 303-A
TO SURFACE COMMINGLE
THE PICKETT DRAW FEDERAL (WILLOW LAKE; BONE SPRING, SE)
AND THE EXXON "8" FEDERAL (UNDESIG. BONE SPRING)
ON THE PICKETT DRAW FEDERAL LEASE (NM-15303)
IN SEC. 9, T25S, R29E
EDDY COUNTY, NEW MEXICO

Gentlemen:

Maralo, Inc. requests an exception to Rule 303-A for approval to surface commingle the commonly owned production from EXXON "8" FEDERAL and PICKETT DRAW FEDERAL leases on the PICKETT DRAW FEDERAL LEASE.

A Plat is attached showing the location and reservoir of each well.

Enclosed is a battery diagram which describes the proposed operation.

The Pickett Draw Federal #1 and the Exxon "8" Federal #1 leases produce about 66 BOP/D from the Bone Spring reservoirs. The individual well production is listed below:

Pickett Draw Federal #1

<u>UL</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPO</u>	<u>GRAVITY</u>	<u>FORMATION</u>
C	16	10	50	46.6	Bone Spring

Exxon "8" Federal #1

<u>UL</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPO</u>	<u>GRAVITY</u>	<u>FORMATION</u>
A	50	40	45	46.2	Bone Spring

Page 2
Maralo, Inc.

For allocation purpose, the production from each lease will be metered separately prior to being commingled into one common battery.

Maralo, Inc. is 50% working interest owner for these leases. See attached commingling proposal notice sent to working interest owners.

Federal royalties will not be reduced through the approval of this application as both Pickett Draw Federal and the Exxon "8" Federal leases have identical royalty interest for the BLM.

The approval of one common storage facility will result in an immediate economic saving of approximately \$13,000 in the cost of storage tanks. Other savings will be achieved with the reduction of transportation and operating costs.

If you require additional information, please call me at (915) 684-7441.

Sincerely,



Dorothea Owens
Regulatory Analyst

Attachments: (4) sets

cc: Bureau of Land Management
Carlsbad, New Mexico

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

☐ AMENDED REPORT

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address MARALO, INC., P. O. BOX 832 MIDLAND, TX 79702		OGRID Number 014007
		Reason for Filing Code RC
API Number 30 - 015-25894	Pool Name UNDESIG. BONE SPRING	Pool Code 66202
Property Code 002008	Property Name EXXON "8" FEDERAL	Well Number 1

II. Surface Location

UL or lot no. A	Section 8	Township 25S	Range 29E	Lot Idn	Feet from the 660	North/South Line NORTH	Feet from the 860	East/West line EAST	County EDDY
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Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Lee Code F	Producing Method Code P	Gas Connection Date 06-01-94		C-129 Permit Number		C-129 Effective Date		C-129 Expiration Date	

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
007057	EL PASO NATURAL GAS CO. P. O. BOX 1492 EL PASO, TX 79978	2811958	6	
018053	PRIDE PIPELINE COMPANY P.O. BOX 2436 ABILENE, TX 79604	2811957	0	

IV. Produced Water

POD 2811959	POD ULSTR Location and Description
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V. Well Completion Data

RECOMPL. Spud Date 05-09-94	Ready Date 6-1-94	TD 13,879	PBTD 9716'	Perforations 8542 - 8601'
Hole Size 26"	Casing & Tubing Size 20"	Depth Set 637'	Sacks Cement 1800 SXS CIRC'D	
17 1/2"	13-3/8"	2875'	2700 SXS CIRC'D	
12 1/4"	9-5/8"	10,100'	900 SXS	

VI. Well Test Data

Date New Oil 06-01-94	Gas Delivery Date 06-01-94	Test Date 06-27-94	Test Length 24	Tbg. Pressure -	Csg. Pressure -
Choke Size -	Oil 68	Water 58	Gas 54	AOP -	Test Method P

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: *Dorothea Owens*

Printed name: DOROTHEA OWENS

Title: REGULATORY ANALYST

Date: JUNE 28, 1994

Phone: (915) 684-7441

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

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

Previous Operator Signature	Printed Name	Title	Date
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MARALO, INC.

3. Address and Telephone No.

P. O. BOX 832, MIDLAND, TX 79702 (915) 684-7441

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 860' FEL, SEC 8, T25S, R29E

5. Lease Designation and Serial No.

NM-55929

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

EXXON "8" FEDERAL #1

9. API Well No.

30-015-25894

10. Field and Pool, or Exploratory Area

UNDESIG. BONE SPRING

11. County or Parish, State

EDDY, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other _____	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

SEE ATTACHED PROPOSAL TO SURFACE COMMINGLE PRODUCTION ON THE PICKETT DRAW FEDERAL LEASE
(NM 15303) SUBMITTED TO THE STATE OF NEW MEXICO, OIL CONSERVATION DIVISION, SANTA FE, NM.
ON JULY 14, 1994.

14. I hereby certify that the foregoing is true and correct

Signed Donna E. Owens

Title REGULATORY ANALYST

Date JULY 14, 1994

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

5. LEASE DESIGNATION AND SERIAL NO.

NM-55929

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

EXXON "8" FEDERAL #1

9. API WELL NO.

30-015-25894

10. FIELD AND POOL, OR WILDCAT

UNDESIG. BONE SPRING

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SEC. 8, T25S, R29E

12. COUNTY OR PARISH
EDDY13. STATE
NM

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 ☐ DEEP EN ☐ PLUG BACK ☒ DIFF. RESER. ☐ Other ☐

2. NAME OF OPERATOR

MARALO, INC.

3. ADDRESS AND TELEPHONE NO.

P. O. BOX 832, MIDLAND, TX 79702

(915) 684-7441

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 660' FNL & 860' FEL, SEC. 8, T25S, R29E

At top prod. interval reported below 660' FNL & 860' FEL

At total depth 660' FNL & 860' FEL

14. PERMIT NO.

DATE ISSUED

RECOMPL

15. DATE SPUDDED 05-09-94 16. DATE T.D. REACHED 06-07-88 17. DATE COMPL. (Ready to prod.) 05-26-94 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 2934.4 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 13,879 21. PLUG BACK T.D., MD & TVD 9716' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY 0-13,777 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 8542' - 8601' BONE SPRING (2ND) 25. WAS DIRECTIONAL SURVEY MADE NO

26. TYPE ELECTRIC AND OTHER LOGS RUN GR/CBL/CCL

27. WAS WELL CORED NO

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

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
20"	94# & 133#	637'	26"	1800 SX CIRC'D	0
13-3/8"	68#	2875'	17-1/2"	2700 SX CIRC'D	0
9-5/8"	43.5, 47, 53.5#	10,100'	12-1/4"	900 SX	0

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
7-5/8"	9785'	13,777'	900 SXS		2-7/8	8643'	-

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

SHOT 1 JSPF 8542', 8544', 8551', 8553', 8555', 8571', 8575', 8578', 8585', 8591', 8593', 8595', 8601'. TOTAL 13 HOLES.

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
12,150	CIBP SET IN 7-5/8" CSG W/35' CMT TOP
9861 - 9691	170' CEMENT PLUG SET W/55 SXS.
8591 - 8503	SPOTTED 300 GALS 7 1/2% MUD REMOV. ACID
8542 - 8601	ACID'D W/1200 GALS 7 1/2% ACID, FRAC'D W/

33.*

PRODUCTION

37,224 GALS. 30# SPECTRAFRAC, 85,000# SI

57,227 GALL. 50% SOLUTION 100% 6030

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)					WELL STATUS (Producing or shut-in)	
06-01-94		PUMPING 2" X 1½" X 20' ROD PUMP					PRODUCING	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO	
06-27-94	24		→	68	54	58	794	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)		
-	-	→				44.0		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

SOLD

TEST WITNESSED BY

PHILLIP SMITH

35. LIST OF ATTACHMENTS

C-102, C-104

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

DOROTHEA OWENS

TITLE

REGULATORY ANALYST

DATE JUNE 28, 1994

*(See Instructions and Spaces for Additional Data on Reverse Side)

38. CONTINUED OF FORMER ZONES. (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries).

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH		TRUE VERT. DEPTH
					TOP	BOTTOM	
Lamar LM.	2860'	2906'	Limestone	Lamar LM.	2860'	2906'	
Canyon	2906'	3756'	Sandstone w/Shale & Limestreaks	Bel Canyon	2906'	3756'	
Cherry Canyon	3756'	5390'	Sandstone w/Lime Streaks	Cherry Canyon	3756'	5390'	
Brushy Canyon	5390'	6656'	Sandstone w/Lime & Shale Streaks	Brushy Canyon	5390'	6656'	
Bone Springs	6656'	7566'	Lime, Shale & Sand	Bone Springs	6656'	7566'	
st Bone SpringsSD	7566'	8384'	Sand w/Shale & Lime Streaks	st Bone Springs	7566'	8384'	
sd Bone SpringsSD	8384'	9452'	Sand w/Lime Streak	Bone Springs	8384'	9452'	
sd Bone SpringsSD	9452'	9852'	Sand & Shale	sd Bone Springs	9452'	9852'	
Wolfcamp	9852'	12164'	Limestone w/Shale Streaks	Wolfcamp	9852'	12164'	
Strawn	12164'	12381'	Sand & Lime	Strawn	12164'	12381'	
Upper Atoka	12381'	12491'	Sand w/Shale & Lime Streaks	Upper Atoka	12381'	12491'	
Atoka Bank	12491'	12518'	Limestone	Atoka Bank	12491'	12518'	
Middle Atoka	12518'	12552'	Shale Sand & Limestone	Middle Atoka	12518'	12552'	
Lower Atoka	12552'	12986'	Shale w/Sand & Lime Streak	Lower Atoka	12552'	12986'	
Upper Morrow	12986'	13366'	Shale & Sand	Upper Morrow	12986'	13366'	
Middle Morrow	13366'	13644'	Shale & Sand	Middle Morrow	13366'	13644'	
Lower Morrow	13644'	13650'	T.D. Sand, Shale, Chert & Lime	Lower Morrow	13644'	13650'	

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-25894		² Pool Code 66202	³ Pool Name UNDESIG. BONE SPRING
⁴ Property Code 002008	⁵ Property Name EXXON "8" FEDERAL		⁶ Well Number 1
⁷ GRID No. 014007	⁸ Operator Name MARALO, INC.		⁹ Elevation 2934.4'

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
A	8	25S	29E		660	NORTH	860	EAST	EDDY

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 Dedicate: 1/4 Acres 40	¹³ Joint or Infill N	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Dorothea Owens</i> Signature DOROTHEA OWENS Printed Name REGULATORY ANALYST Title JUNE 24, 1994 Date
				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyer:
				Certificate Number

OIL CONSERVATION DIVISION

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

JAN 27 1994

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator MARALO, INC.	Well API No. 30-015-25767
Address P. O. BOX 832, MIDLAND, TX 79702	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> New Well <input type="checkbox"/> Change in Transporter of: <input checked="" type="checkbox"/> Completion <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> <input type="checkbox"/> Change in Operator <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>	
Change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name PICKETT DRAW FEDERAL	Well No. 1	Pool Name, Including Formation UNDESIG. BONE SPRING	Kind of Lease State, Federal or Fee	Lease No. USA NM-15303
Location Unit Letter C : 660 Feet From The NORTH Line and 1980 Feet From The WEST Line Section 9 Township 25S Range 29E , NMPM, EDDY County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> PRIDE PIPELINE COMPANY	Address (Give address to which approved copy of this form is to be sent) P. O. BOX 2436, ABILENE, TX 79604					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> EL PASO NATURAL GAS COMPANY	Address (Give address to which approved copy of this form is to be sent) P. O. BOX 1492, EL PASO, TX 79978					
Well produces oil or liquids, give location of tanks.	Unit C	Sec. 9	Twp. 25S	Rge. 29E	Is gas actually connected?	When?

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

IV. COMPLETION DATA

Designate Type of Completion - (X) XXXX	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Started 12-30-93	Date Compl. Ready to Prod. 01-15-94	Total Depth 12,375		P.B.T.D. 9788'				
Deviations (DF, RKB, RT, GR, etc.) 2944.8 GR	Name of Producing Formation BONE SPRING		Top Oil/Gas Pay 8573		Tubing Depth 13085'			
Perforations 8573 - 8641'					Depth Casing Shoe			

(ORIGINAL) TUBING, CASING AND CEMENTING RECORD			
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
26	20	625	1335 SX (625 LT & 710 PREM)
17-1/2	13-3/8	2900	2300 SX (1800 LT & 500 PREM)
12-1/4	9-5/8	10100	1125 SX 50/50 POZ, 2% GEL)
	2-7/8	13085'	

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)			
Date First New Oil Run To Tank 01-15-94	Date of Test 01-21-94	Producing Method (Flow, pump, gas lift, etc.) FLOWING	
Length of Test 24 HRS	Tubing Pressure 250-300 PSI	Casing Pressure -	Choke Size 17/64
Actual Prod. During Test	Oil - Bbls. 145	Water - Bbls. 143	Gas - MCF 400

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

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations 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 Dorothea Owens
DOROTHEA OWENS REGULATORY
Printed Name
JANUARY 26, 1994 (915) 684-7441
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved **JAN 31 1994**

By _____

Title **SUPERVISOR, DISTRICT II**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MARALO, INC.

3. Address and Telephone No.

P. O. BOX 832, MIDLAND, TX 79702 (915) 684-7441

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 1980' FWL, SEC. 9, T25S, R29E

5. Lease Designation and Serial No.

USA NM-15303

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

PICKETT DRAW FEDERAL #1

9. API Well No.

30-015-25767

10. Field and Pool, or Exploratory Area

WILLOW LAKE-BONE SPRING, SE

11. County or Parish, State

EDDY, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

SEE ATTACHED PROPOSAL TO SURFACE COMMINGLE PRODUCTION WITH THE EXXON "8" FEDERAL LEASE (NM-55929) ON THE PICKETT DRAW FEDERAL LEASE SUBMITTED TO THE STATE OF NEW MEXICO, OIL CONSERVATION DIVISION, SANTA FE, NM. ON JULY 14, 1994.

14. I hereby certify that the foregoing is true and correct

Signed *Dorothea Owens*

Title REGULATORY ANALYST

Date JULY 14, 1994

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instruction on Reverse Side**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other In-
structions on
reverse side)FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

5. LEASE DESIGNATION AND SERIAL NO.

USA NM-15303

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

OPERATOR'S COPY

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

PICKETT DRAW FEDERAL #1

9. API WELL NO.

30-015-25767

10. FIELD AND POOL, OR WILDCAT

UNDESIG. (BONE SPRING)

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA

SEC 9, T25S, R29E

12. COUNTY OR
PARISH

EDDY

13. STATE

NM

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 ☐ DEEP-EN ☐ PLUG BACK ☒ DIFF. RESRV. ☐ Other ☐

2. NAME OF OPERATOR

MARALO, INC.

3. ADDRESS AND TELEPHONE NO.

P. O. BOX 832, MIDLAND, TX 79702

(915) 684-7441

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 660' FNL & 1980' FWL

At top prod. interval reported below 660' FNL & 1980' FWL

At total depth 660' FNL & 1980' FWL

14. PERMIT NO.

DATE ISSUED

15. DATE ^{recompl.} began

12-30-93

16. DATE T.D. REACHED

-

17. DATE COMPL. (Ready to prod.)

01-15-94

18. ELEVATIONS (OF, RKB, RT, GR, ETC.)*

2937.3

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

12,375

21. PLUG, BACK T.D., MD & TVD

9788

22. IF MULTIPLE COMPL.,
HOW MANY?ACCEPTED FOR RECORD
FEB - 1 199423. INTERVALS
DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, TANK (MD AND TVD)*

8573 - 8641 BONE SPRING

25. WAS DIRECTIONAL
SURVEY MADE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR/CBL/CLL

27. WAS WELL CORED

NO

28.

CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
20	94#	625	26	1335 SX (625 SX LT. & 710 SX PREM)	
13-3/8	72#, 68#, 61#	2900	17-1/2	2300 SX (1800SX LT. & 500 SX PREM)	
9-5/8	47#	10100	12-1/4	1125 SX 50/50 POZ, 2% GEI	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
7-5/8	9845	12656	820 SX		2-7/8	13085	13085
5-1/2	12602	13930	200 SX				

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

SHOT 1 SPF @ 8573 - 8641 TOTAL 20 HOLES

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11,050	CIBP SET IN 7-5/8" CSG W/ 35' CMT TOP
9888 - 9788	100' CMT PLUG W/35 SXS CL. "C"
8573 - 8641	FRAC'D W/43,000 GALS 30# SPECTRAFRAC W/130,500# 16/30 SAND

33.*

PRODUCTION

DATE FIRST PRODUCTION 01-15-94		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) FLOWING				WELL STATUS (Producing or shut-in) SI	
DATE OF TEST 01-21-94	HOURS TESTED 24	CHOKER SIZE 17/64"	PROD'N. FOR TEST PERIOD →	OIL—BBL. 145	GAS—MCF. 400	WATER—BBL. 143	GAS-OIL RATIO 2759
FLOW, TUBING PRESS. 250-300	CASINO PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.) 44.1	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

SOLD

TEST WITNESSED BY

ED NEAGLE

35. LIST OF ATTACHMENTS

PLAT, C-104

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Dorothea Owens TITLE REGULATORY ANALYST

DOROTHEA OWENS

DATE JANUARY 25, 1994

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, core intervals; and all lithology, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Brushy Canyon	5430'	6710'	Sandstone; DST #1 (5774'-5880') (See Drlg. Report 7-25-87)	Delaware Sd.	2942'	
Bone Spring Sd.	6710'	7607'	Sand, Shale & Lime	Cherry Canyon	3768'	
III Bone Spring	9494'	9494'	Sand, Shale & Lime	Manzanita	3928'	
Wolfcamp	9886'	9886'	Sand, Shale & Lime	Middle Cherry Canyon	4566'	
	12232'	12232'	Limestone w/shale streaks; DST#2 (11148'-11480') (See Drlg. Report 8-22-87)	Brushy Canyon	5430'	
Strawn	12232'	12248'	Sand & Lime; DST #3 (12303'-12373') See Drlg. Report 8-30-87; DST #5 (12323'-12440') (See Drlg. Report 9-5-87)	Bone Spring	6710'	
Upper Atoka	12448'	12616'	Sand, Shale & Limestone; DST #4 (12446'-12484') (See Drlg. Report 9-3-87); DST #6 (12488'-12522') See Drlg. Report 9-7-87	First Bone Spring	7607'	
Upper Morrow	13006'	13868'	Chert, Limestone, Shale, w/Sand Stringers	III Bone Spring	9494'	
Lower Morrow	13868'	13030'	Limestone & Shale	Wolfcamp	9886'	
				Strawn	12232'	
				Atoka	12448'	
				Lower Atoka	12616'	
				Upper Morrow	13006'	

OIL CONSERVATION DIVISION

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

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

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

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

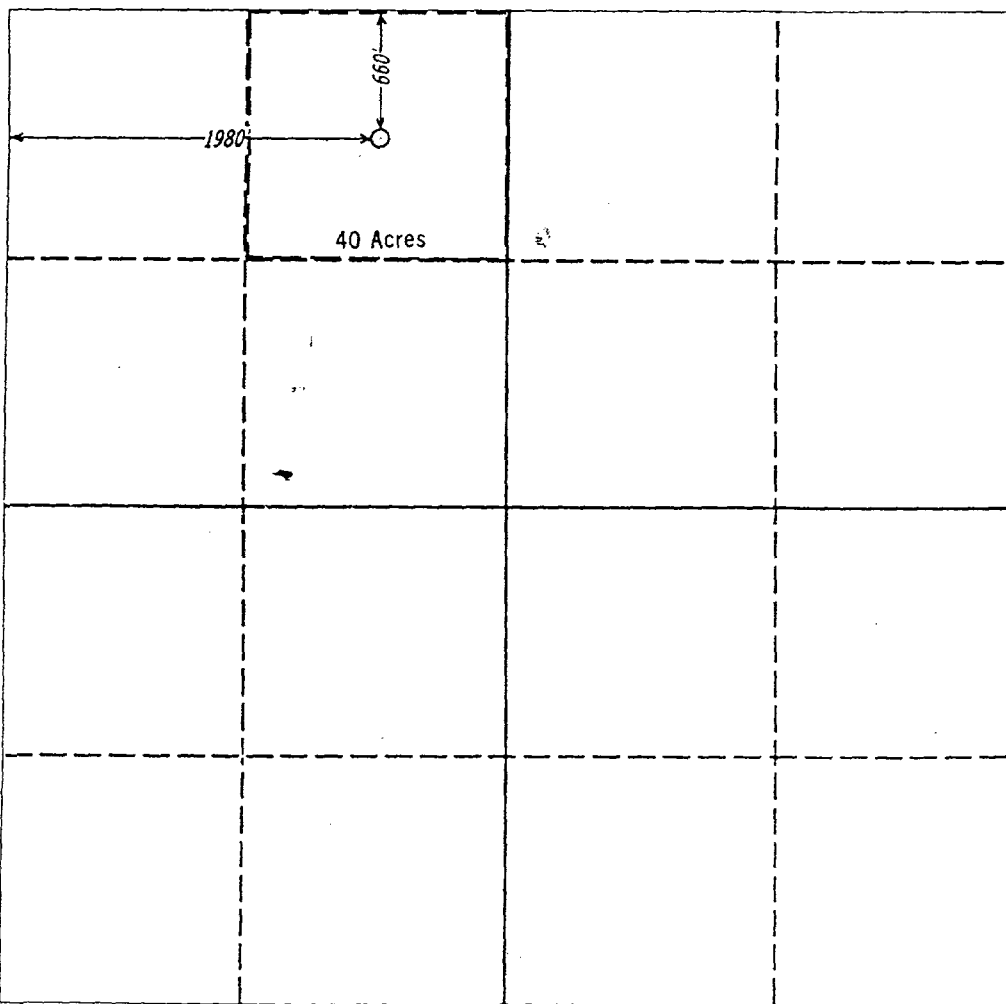
REVISED

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator MARALO, INC.		Lease PICKETT DRAW FEDERAL		Well No. 1
Unit Letter C	Section 9	Township 25 SOUTH	Range 29 EAST	County NMPM
Actual Footage Location of Well: 660 feet from the NORTH line and 1980 feet from the WEST line				
Ground level Elev. 2944.8 GR	Producing Formation BONE SPRING	Pool UNDESIG.	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Dorothea Owens

Printed Name

DOROTHEA OWENS

Position

REGULATORY ANALYST

Company

MARALO, INC.

Date

JANUARY 27, 1994

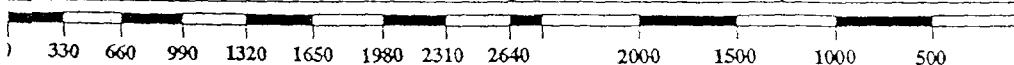
SURVEYOR CERTIFICATION

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 knowledge and belief.

Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.





July 11, 1994

TO THE WORKING INTEREST OWNERS LISTED ON EXHIBIT "A":

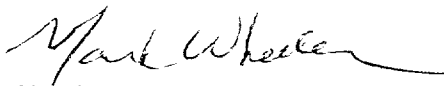
Re: Notification of Combining Production from
Pickett Draw Federal "9" #1 Well and
Exxon Federal "8" #1 Well
Chimayo Prospect (NM-203)
Eddy County, New Mexico

Gentlemen:

Please be advised that this letter shall serve as Maralo's formal notification to you that Maralo has applied with the Bureau of Land Management (BLM) and the Oil Conservation Division (OCD) for approval to combine production from the captioned wells into a single tank battery facility, with separate metering devices so that the apportionment between the federal leases with different royalty rates can be calculated.

Should you have any questions concerning this matter, please feel free to contact us.

Yours very truly,


Mark Wheeler, CPL
District Landman

MW/pjd:chimayo(4)

xc: Joe Pulido / Anita Fuller / Dorothea Owen

EXHIBIT "A"

WORKING INTEREST OWNERS

CHIMAYO PROSPECT (NM-203)
EDDY COUNTY, NEW MEXICO

Maralo Inc.
Five Post Oak Park, Suite 1010
Houston, Texas 77027-3489

MRL Partners, LP
Five Post Oak Park, Suite 1010
Houston, Texas 77027-3489

L. R. French, Jr.
P. O. Box 11327
Midland, Texas 79702

Turnco, Inc.
P. O. Box 1240
Graham, Texas 76450

Edward K. Gaylord, II
Rt. 8, Box 104B
Guthrie, Oklahoma 73044

B.A.G.A.M., Ltd.
P. O. Box 37
Graham, Texas 76450

CNG Producing Company
1450 Poydras Street
New Orleans, Louisiana 70112

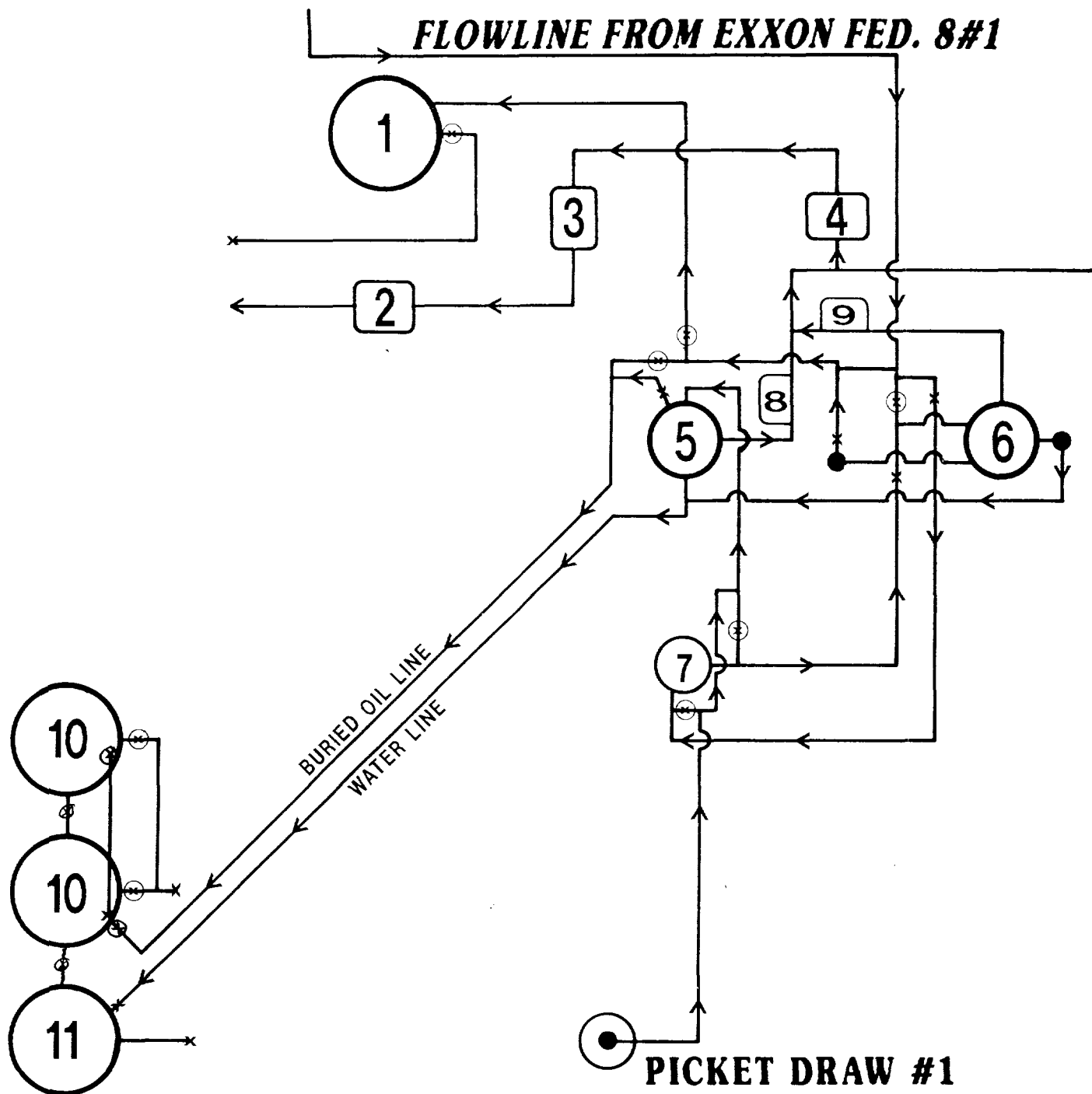
Stovall Investments, Inc.
P. O. Box 10
Graham, Texas 76450

The Allar Company
P. O. Box 630
Graham, Texas 76450

H. M. Bettis, Inc.
P. O. Box 1240
Graham, Texas 76450

Jimmy R. Guinn, Jr.
Trustee of the James R.
Guinn Family Trust
U/W/O Sept. 20, 1993
First City Arlington Tower
Suite 650
Arlington, Texas 76010

FLOWLINE FROM EXXON FED. 8#1



PICKET DRAW #1

- ✕ Valve
- ⊗ Locked Valve
- Fluid Metering Device

- 1) 12'X20' 400 Bbls steel stock tank for EXXON Fed.8 #1
- 2) 2" Meter for total Gas Sales
- 3) Gas Dehydrator
- 4) Gas Compressor
- 5) 4'X20' 50# heater treater for Picket Draw #1
- 6) 4'X20' 50# heater treater for EXXON Fed. 8 #1 30"X12'
- 7) 30"X12' 2 Phase separator for EXXON Fed. 8 #1
- 8) 2" Gas meter run for Picket Draw #1
- 9) 2" Gas meter run for EXXON Fed. 8 #1
- 10) 15'6"X16' 500 Bbls steel stock tank
- 11) 15'6"X16' 500 Bbls fiberglass water tank

maralo^{INC.}

**COMINGLE FACILITIES
EXXON FED. 8 #1 & PICKET DRAW #1
(FOR SELLING OIL & GAS)**

EDDY COUNTY, NEW MEXICO

NOT TO SCALE