

DATE	DATE	ENGINEER	LOGGED IN	TYPE	APP NO.
12/4/01	12/24/01	MS	MV	NSL	133938634

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

DEC - 4 2001

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
 - [B] Offset Operators, Leaseholders or Surface Owner
 - [C] Application is One Which Requires Published Legal Notice
 - [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 - [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 - [F] Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

K.W. Tatarzyn
 Print or Type Name

[Signature]
 Signature

Asset Team Manager
 Title

11-29-01
 Date

 e-mail Address



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

November 29, 2001

Mr. Michael Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

RE: *Application for administrative approval for an exception to the well location requirements provided within "Statewide Rule 104.C.2, Title 19, Chapter 15, Part C," for the Federal Indian Basin "D" Gas Com Well No. 2 (30-015-23313)*

Dear Mr. Stogner:

Marathon Oil Company respectfully requests administrative approval to produce the Wolfcamp formation from the unorthodox location of the Federal Indian Basin "D" Gas Com Well No. 2. This well's location is 800' FNL and 200' FEL, Section 30, Township 21 South, Range 23 East, Eddy County, New Mexico. This well was drilled and completed in 1980 in the Indian Basin Upper Penn Gas Pool. Marathon plans to recomplete this well as a Wildcat Wolfcamp well.

In support of this application, details are provided giving a short overview of the history of the well, the geologic reasoning of the proposed wildcat test, and how the well fits into Marathon's reservoir management plan.

Well History:

In February 19, 1980, Administrative Order NSP-1180, approving a non-standard proration unit of 578.6-acres (all of Section 30), was signed. Division Order No. R-6310, which approves the unorthodox Upper Penn location, was signed on April 15, 1980. This well was drilled and completed in the third quarter of 1980. It was perforated in the Upper Penn zone at 7262'-7278' that was unsuccessful so these perforations were squeezed and a cement retainer was set at 7250'. The well was then perforated at 7162'-7214' and acidized with 2500 gallons of 15% acid. It produced through 5-1/2" casing set at 7500' after a pipeline connection was established in February 1981. The initial production rate was 891 MCFD, 6 BCPD and 184 BWPD. In December 1986, the perforations at 7162'-7214' were squeezed and a cement retainer was set at 7130'. The well was then perforated at 7026'-7080' and acidized with 2000 gals 15% NeFe acid. The well would not flow so it was acidized with 6000 gals. of 20% Fe-SGA acid in late January 1987. This work was unsuccessful and the well was temporarily abandoned. It remained in TA status until August 2000 when both retainers were drilled out and the Upper Penn was perforated at 7314'-7340'. This work was also unsuccessful so the well was shut in pending approval to perform a Wolfcamp test.

Geologic Data:

Recently, Marathon conducted a geological review of the Wolfcamp formation throughout its Indian Basin field. As a result, Federal Indian Basin "D" Gas Com Well No. 2 was identified as a potential Wildcat Wolfcamp test. The well appears to have favorable water saturation, and sufficient porosity to produce hydrocarbons. The Wolfcamp formation in this area appears to be heterogeneous both laterally and vertically. The well log interpretations are supported by Wolfcamp outcrop studies that suggest a typical reservoir is found in a channelized grainstone. These channels can range in width from 150 feet up to 300 feet with beds 10 to 20 feet thick. As a result, porous zones appear to have a limited radial extent that raises concerns about the lateral continuity of any productive zone. This argument is supported by the small number of wells in Township 21 South, Range 23 East with favorable open-hole log response in the Wolfcamp.

Reservoir Management Plan:

As the Upper Pennsylvanian formation depletes, Marathon is reviewing inactive wellbores to identify any prospective zones to test prior to abandoning a wellbore. Many of these prospective zones have questionable reservoir size and thus can only be economically tested formations by utilizing existing wellbores. The Wildcat Wolfcamp test in Federal Indian Basin "D" Gas Com Well No. 2 is important to Marathon for several reasons. First, it allows Marathon to test a formation that could otherwise not be tested if a new had to be drilled. If the formation proves to contain producible hydrocarbons, this will prevent waste of the otherwise unrecoverable reserves. Secondly, Marathon has identified two other wells that may be productive in the Wolfcamp formation. However, because these zones do not look as prospective, the recompletion of the two additional wells will be contingent upon a successful test of the Wolfcamp in Federal Indian Basin "D" Gas Com Well No. 2.

Waivers:

All offset operators and interest owners have been notified by Certified Mail of Marathon's intention of producing the unorthodox Wolfcamp location in the Federal Indian Basin D Gas Com Well No. 2. Enclosed is a copy of the waiver letter and a list of all its recipients. A copy of this application for unorthodox location was attached to the waiver letter.

If you have any questions/comments/concerns, please contact me at (915) 687-8306.

Respectfully,



Steven F. Millican
Operations Engineer
Indian Basin Asset Team
Marathon Oil Company

Offsetting Interest Owners (see attached land map):

Section 29:

- 1.) ChevronTexaco – NW/4
- 2.) Kerr McGee – W/2 NE/4 (previously owned by Sun)
- 3.) Marathon Oil – E/2 NE/4 and S/2

Section 30:

- 1.) ChevronTexaco – W/2*
- 2.) Marathon Oil – E/2*

**Marathon and ChevronTexaco will enter into a communitization agreement to form a 320-acre gas spacing unit in the N/2 of Section 30.*

Southern U.S. Business Unit
Domestic Production



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

November 29, 2001

Chevron
Attn: Scott Ingram
P. O. Box 1150
Midland, TX 79702

Re: Application for an Unorthodox Well Location for the Federal Indian Basin "D" Gas Com Well No. 2
Location: UL "A", 800' FNL and 200' FEL, Section 30, T-21-S, R-24-E, Eddy County, New Mexico

Dear Sir or Madam:

Marathon Oil Company plans to recomplete the above referenced well in the Wolfcamp formation. This well will be governed by the Statewide Rule 104C. This well does not conform to the 660' spacing requirement from the outer boundary of the Gas Proration Unit (GPU) as its locations is 200' from the East Line of Section 30.

This letter is to inform you, as an offset operator or interest owner, of Marathon's intention to request administrative approval for this non-standard location. If you have an objection to this application, it must be filed, in writing, with the New Mexico Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, New Mexico 87504, within 20 days from the date of this letter. Should you have no objection to this location, please sign below and return an executed copy of this letter to me in the envelope provided. The application for administrative approval for this location will be sent to the Oil Conservation Division in Santa Fe as soon as possible. If you have any questions or need more information, please call me at (915) 687-8321.

Sincerely,

A handwritten signature in cursive script that reads "Ginny Larke".

Ginny Larke
Engineer Technician
Indian Basin Asset Team

Signature: _____

Printed Name: _____

Title: _____

Company Name: _____

Date: _____



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

November 29, 2001

Kerr McGee
Attn: Mark Peavy
P. O. Box 809004
Dallas, TX 75380-9004

Re: Application for an Unorthodox Well Location for the Federal Indian Basin "D" Gas Com Well No. 2
Location: UL "A", 800' FNL and 200' FEL, Section 30, T-21-S, R-24-E, Eddy County, New Mexico

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Sincerely,

A handwritten signature in cursive script that reads 'Ginny Larke'.

Ginny Larke
Engineer Technician
Indian Basin Asset Team

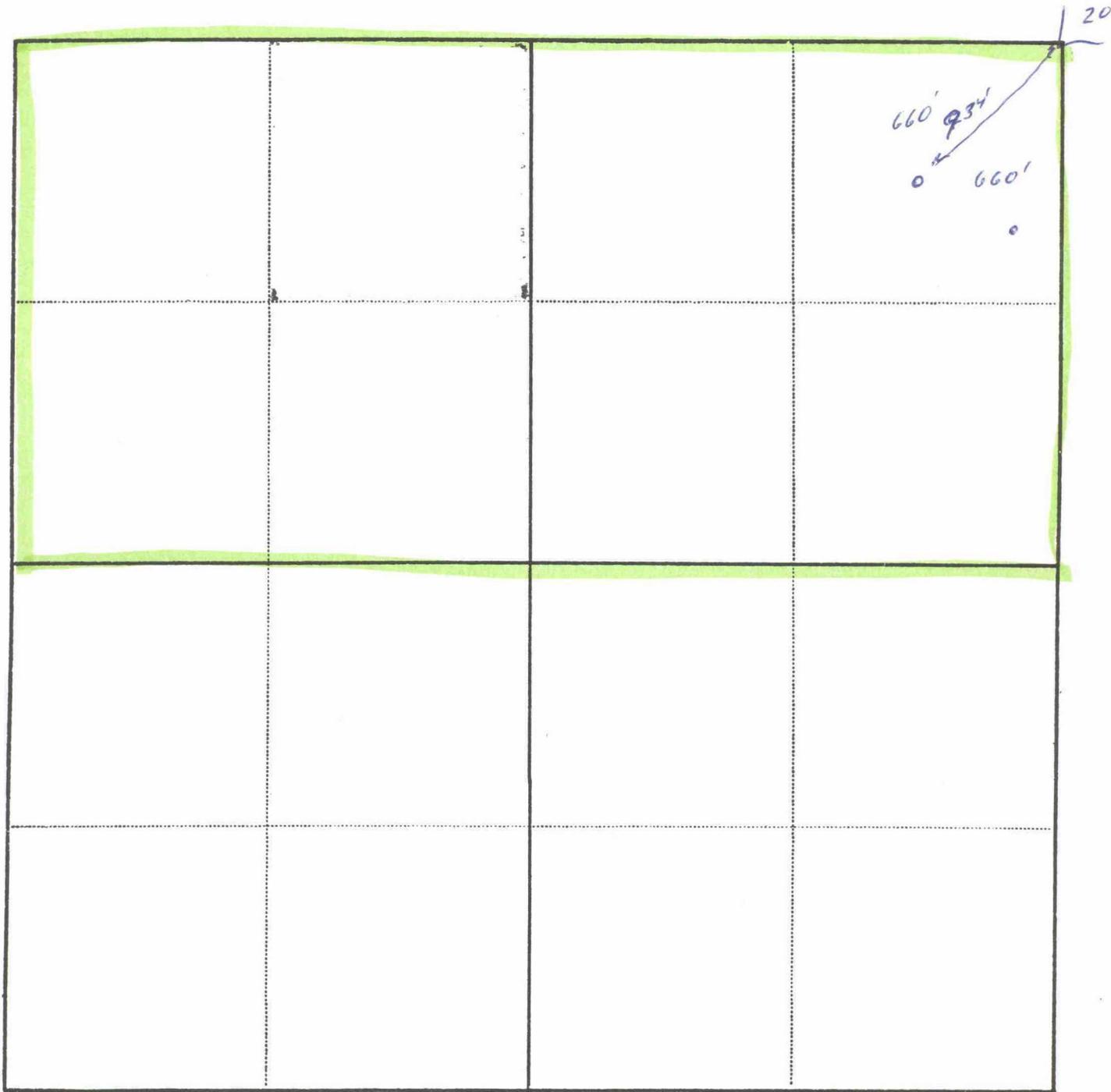
Signature: _____

Printed Name: _____

Title: _____

Company Name: _____

Date: _____



Closest Standard location is 660' E N 1 E L which is 934' from Sec. 20'
this well is 300' E N L + 200' E E L and is only 825' from Sec. 20

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/31/01 13:21:
OGOMES -TP
PAGE NO:

Sec : 30 Twp : 21S Rng : 23E Section Type : NORMAL

1 24.39 Federal owned	C 40.00 Federal owned	B 40.00 Federal owned	A 40.00 Federal owned A
2 24.56 Federal owned	F 40.00 Federal owned	G 40.00 Federal owned	H 40.00 Federal owned

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

12/31/01 13:21:
OGOMES -TP
PAGE NO:

Sec : 30 Twp : 21S Rng : 23E Section Type : NORMAL

3 24.74 Federal owned	K 40.00 Federal owned	J 40.00 Federal owned	I 40.00 Federal owned
4 24.91 Federal owned	N 40.00 Federal owned	O 40.00 Federal owned	P 40.00 CS OPEN R

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

CMD : ONGARD 12/31/01 13:21:
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TP

API Well No : 30 15 23313 Eff Date : 08-25-2000 WC Status : A
Pool Idn : 79040 INDIAN BASIN;UPPER PENN (PRO GAS)
OGRID Idn : 14021 MARATHON OIL CO
Prop Idn : 6393 FEDERAL IBD GAS COM

Well No : 002
GL Elevation: 4069

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/
	-----	-----	-----	-----	-----	-----	-----
B.H. Locn	: A	30	21S	23E	FTG 800 F N FTG	200 F E	P

Lot Identifier:

Dedicated Acre: 192.00

Lease Type : F

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

M0025: Enter PF keys to scroll

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

CMD : ONGARD 12/31/01 13:22:
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TP
Page No :

API Well No : 30 15 23313 Eff Date : 04-30-1991
Pool Idn : 79040 INDIAN BASIN;UPPER PENN (PRO GAS)
Prop Idn : 6393 FEDERAL IBD GAS COM Well No : 00
Spacing Unit : 37806 OCD Order : Simultaneous Dedication:
Sect/Twp/Rng : Acreage : 192.00 Revised C102? (Y/N) :
Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	A		30	21S	23E	40.00	N	FD		
	B		30	21S	23E	40.00	N	FD		
	C		30	21S	23E	40.00	N	FD		
	F		30	21S	23E	40.00	N	FD		
	G		30	21S	23E	40.00	N	FD		
	H		30	21S	23E	40.00	N	FD		
	I		30	21S	23E	40.00	N	FD		
	J		30	21S	23E	40.00	N	FD		
	K		30	21S	23E	40.00	N	FD		

M0002: This is the first page

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

CMD : ONGARD 12/31/01 13:22:
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TP
Page No :

API Well No : 30 15 23313 Eff Date : 04-30-1991
Pool Idn : 79040 INDIAN BASIN;UPPER PENN (PRO GAS)
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Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
		N	30	21S	23E	40.00	N	FD		
		O	30	21S	23E	40.00	N	FD		
		P	30	21S	23E	40.00	N	ST		
	E	2	30	21S	23E	24.56	N	FD		
	L	3	30	21S	23E	24.74	N	FD		
	M	4	30	21S	23E	24.91	N	FD		

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



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

February 19, 1980

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Marathon Oil Company
P. O. Box 3128
Houston, Texas 77001

Attention: Robert J. Pickens

Administrative Order NSP-1180

Gentlemen:

Reference is made to your application for a 578.6-acre proration unit consisting of the following acreage in the Indian Basin-Upper Pennsylvanian Gas Pool:

EDDY COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM
Section 30: All

It is my understanding that this unit is to be dedicated to your Federal IBD Gas Com Well No. 2 to be located at a standard location thereon.

By authority granted me under the provisions of Rule 3 of Order No. R-2440, the above non-standard proration unit is hereby approved.

Sincerely,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Artesia
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Artesia

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. 6845
Order No. R-6310

APPLICATION OF MARATHON OIL COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 26, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of April, 1980, 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 the applicant, Marathon Oil Company, seeks approval of an unorthodox gas well location 800 feet from the North line and 200 feet from the East line of Section 30, Township 21 South, Range 23 East, NMPM, to test the Pennsylvanian formation, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.
- (3) That the special pool rules for said Indian Basin-Upper Pennsylvanian Gas Pool, as promulgated by Order No. R-2440 and made permanent by Order No. R-2440-A, provide for 640-acre (one section) spacing and proration units in said pool.
- (4) That while all of said Section 30 is to be dedicated to the well, no more than 190 acres within such section may be presumed to be productive from the Indian Basin-Upper Pennsylvanian Gas Pool.

Case No. 6845
Order No. R-6310

(5) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(6) That a well drilled at the proposed unorthodox location should receive an allowable penalty based upon productive acres in said Section 30.

(7) That the allowable factor for said well should be calculated as follows:

$$\text{Allowable Factor} = \frac{190 \text{ (Finding 4)}}{640 \text{ (Finding 3)}} = 0.30$$

(8) That the assignment of an allowable factor as described in Finding No. (7) above will permit the applicant to produce its just and equitable share of the gas in the Indian Basin-Upper Pennsylvanian Gas Pool, will protect applicant's correlative rights and prevent waste, and will protect the correlative rights of offset operators in the pool.

IT IS THEREFORE ORDERED:

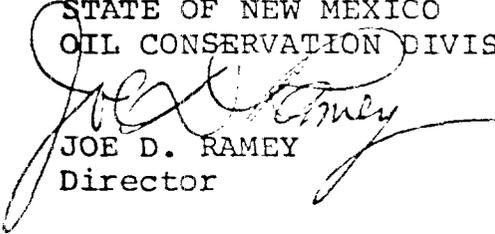
(1) That an unorthodox gas well location for the Pennsylvanian Formation is hereby approved for a well to be located at a point 800 feet from the North line and 200 feet from the East line of Section 30, Township 21 South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico, provided however, that such well upon completion in said pool shall have an allowable factor for gas proration purposes of 0.30.

(2) That all of said Section 30 shall be dedicated to the above-described well.

(3) 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
fd/

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000
Lease Serial No.

ST

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

NM0384625

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

7. If Unit or CA/Agreement, Name and/or N
CA No. SRM-1497

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.

Federal IED Gas
Com #2

2. Name of Operator

Marathon Oil Company

9. API Well No.

30-015-23313

3a. Address

P.O. Box 552, Midland, TX 79702

3b. Phone No. (include area code)

800-351-1417

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

UL "A" 800' FNL & 200' FEL
Section 30, T-21-S, R-23-E

10. Field and Pool, or Exploratory Area
Indian Basin Upper Penn Gas
Pool

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION		TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Add Pay & Stimulate</u>	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Work began 10/13/00. MIRU PU, RD pumping unit, POOH w/rods & pump, released tbg. anchor, RD wellhead & NU BOP. POOH w/tbg, RU loggers & ran GR-CLL. RIH w/5-1/2" CIBP & set @ 7300'. Put 1 sk of cement on top of plug isolating perfs from 7314'-7340'. Perf 5-1/2" csg @ 7144'-7150', 7154'-7164', 7180'-7190', 7201'-7212' w/4 spf @ 120 degree phasing. RIH w/PPI tools & acidize new perfs w/4000 gals 15% HCl @ 100 gpf. Max treating pressure - 2650 psi @ 2.35 bpm, Avg - 2200 psi @ 2.05 bpm. Made 32 swab runs recovering 136 bbls fluid. Released PPI tools & POOH. RIH w/2-3/8" tbg w/SN to 7264'. Set TAC, ND BOP & NU wellhead. RIH w/rods & pump & hung well on 10/22/00. On 11/7/00 MIRU PU, POOH w/rods & pump, NU BOP & POOH w/tbg. RIH w/HES packer & RBP. Set RBP @ 7274' isolating squeezed perfs (7262'-7278'). Set RITS packer @ 7126' & acidized Upper Penn perfs 7144'-50', 7154'-64', 7180'-90', & 7201'-12' w/3000 gals CSP-150 gelled acid & 2500 gals CCA gelled acid. Max pressure - 2270 psi @ 9.3 bpm, Avg - 350 psi @ 7.7 bpm. Swabbed back 165 bbls of 100% water. POOH w/packer & RBP for visual check, RIH w/packer & RBP & test squeezed perfs, 7262'-7278', to 500 psi. POOH w/packer, RIH w/tbg to 7264', ND BOP & NU wellhead, Set TAC & RIH w/rods & pump. Load & test tbg, RD PU and turned well over to production department 11/14/00.

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

Name (Printed/Typed)

Ginny Larke

Ginny Larke

Title

Engineer Technician

Date

12/14/00



THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

N.M. Oil Cons. Division

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

811 S. 1st Street
Artesia, NM 88210-2834

Lease Serial No. NM0384625
Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

7. If Unit or CA/Agreement, Name and/or No.
CA No. SRM-1497

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Federal IBD Gas
Gas Com #2

2. Name of Operator
Marathon Oil Company

9. API Well No.
30-015-23313

3a. Address
P.O. Box 552, Midland, TX 79702

3b. Phone No. (include area code)
800-351-1417

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Indian Basin Upper Penn Gas
Pool

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Section 30, T-21-S, R-23-E

11. County or Parish, State
Eddy NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent

Subsequent Report

Final Abandonment Notice

Acidize

Alter Casing

Casing Repair

Change Plans

Convert to Injection

Deepen

Fracture Treat

New Construction

Plug and Abandon

Plug Back

Production (Start/Resume)

Reclamation

Recomplete

Temporarily Abandon

Water Disposal

Water Shut-Off

Well Integrity

Other Add Pay & Resume Production

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Marathon Oil Co. has put this well on co-production, added pay and resumed production as follows:

Work began on 8/16/00. MIRU PU, tested csg to 500 psi, ND wellhead and NU BOP. Released packer & POOH LD tbg. PU bit, DCs, & jars and RIH on 2-7/8" tbg. Tagged up on CIBP @ 7130'. PU swivel, loaded hole & broke circulation. Drilled out top CIBP & cement. Tagged up on 2nd CIBP @ 7250' & drilled out CIBP & cement. Cleaned out to top of float collar. Drilled out plug, float collar & cement. POOH w/tbg, LD collars & bit. RIH w/packer & tested squeezed perfs @ 7162'-7214' and 7262'-7278' to 600 psi. Released packer, POOH & LD packer. RU wireline & perforate 7314'-7340' w/4 spf in 2 runs. RD wireline & RIH w/PPI tool. Set @ 7340', drop valves & PUH treating perfs 7340'-7314' in 2' increments w/75 gpf for a total of 1,950 gals. 15% HCl. Max press - 2750, Avg press - 2500 psi, Avg rate - 2.5 bpm. Fished valves, set packer @ 7245' & swabbed well. Recovered 39 bbls. fluid in 12 runs. Swabbed well & recovered 58 bbls water in 11 runs. Released packer & POOH. RIH w/2-7/8" production tbg & landed @ 7447'. ND BOP, set TAC, and NU wellhead. RIH w/2-1/2" X 2" X 26' insert pump on fiberglass & KD rods. Spaced well out & long stroked pump. RD PU and turned well over to production on 8/25/00

ACCEPTED FOR RECORD

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Ginny Larke

Ginny Larke

Title

Engineer Technician

Date

8/30/00

SEP 06 2000

ges

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Lease Serial No. NM0384625
2. Name of Operator Marathon Oil Company		6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 552, Midland, TX 79702	3b. Phone No. (include area code) 915-687-8334	7. If Unit or CA/Agreement, Name and/or No. CA No. SRM-1497
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL "A" 800' FNL & 200' FEL Sec. 30, T-21-S, R-23-E		8. Well Name and No. Federal IBD Gas #2
		9. API Well No. 30-015-23313
		10. Field and Pool, or Exploratory Area Indian Basin Upper Penn
		11. County or Parish, State Eddy Co. NM

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <u>Renew TA</u>
			<u>Status</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleting horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Marathon Oil Co. is requesting renewal of the Temporary Abandonment status of this well. The well was tested for casing integrity on 1-13-99. The test was witnessed by Mr. D. Whitlock. A copy of the chart is attached. The AFE for the workover of this well has been sent out to partners and it is estimated that the work will be completed by 8-31-00. The plans are to drill out the cement retainers, perf the Upper Penn, stimulate and put the well on production. Please extend the TA status of this well through September 30, 2000 to give us plenty of time in case we run into problems.



TA Approved For _____ Month Period
Ending 9/30/2000

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Ginny Larke	Title Engineer Technician
	Date 6/30/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (ORIG. SGN.) JOE G. LARA	Title Petroleum Engineer	Date 8/11/2000
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office CFO	

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 <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	5. Lease Designation and Serial No. NM0384625
2. Name of Operator Marathon Oil Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 552, Midland, TX 79702 915-687-8334	7. If Unit or CA, Agreement Designation CA No. SRM-1497
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL "A" 800' FNL & 200' FEL Sec. 30, T-21-S, R-23-E	8. Well Name and No. Federal IBD Gas Com #2
	9. API Well No. 30-015-23313
	10. Field and Pool, or exploratory Area Indian Basin Upper Penn
	11. County or Parish, State Eddy Co. 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"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Renew TA Status</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<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.)*

Marathon Oil Co. is requesting renewal of the Temporary Abandonment status of this well. The well was tested for casing integrity on 2-18-92. The test proved integrity and was witnessed by Mr. D. Whitlock. TA status was originally approved 12-11-90. Please renew the TA status for 12 months. Marathon plans to perforate additional pay and stimulate the Upper Penn formation in this well and then put it on a sub pump. The workover will begin after the facility and gathering system work is completed. This facility work is scheduled to begin in the 3rd or 4th quarter of 1999.

MIT run 1-13-99, witnessed by Duncan Whitlock, a copy of the chart is attached.

**APPROVED FOR 12 MONTH PERIOD
ENDING 1/14/2000**

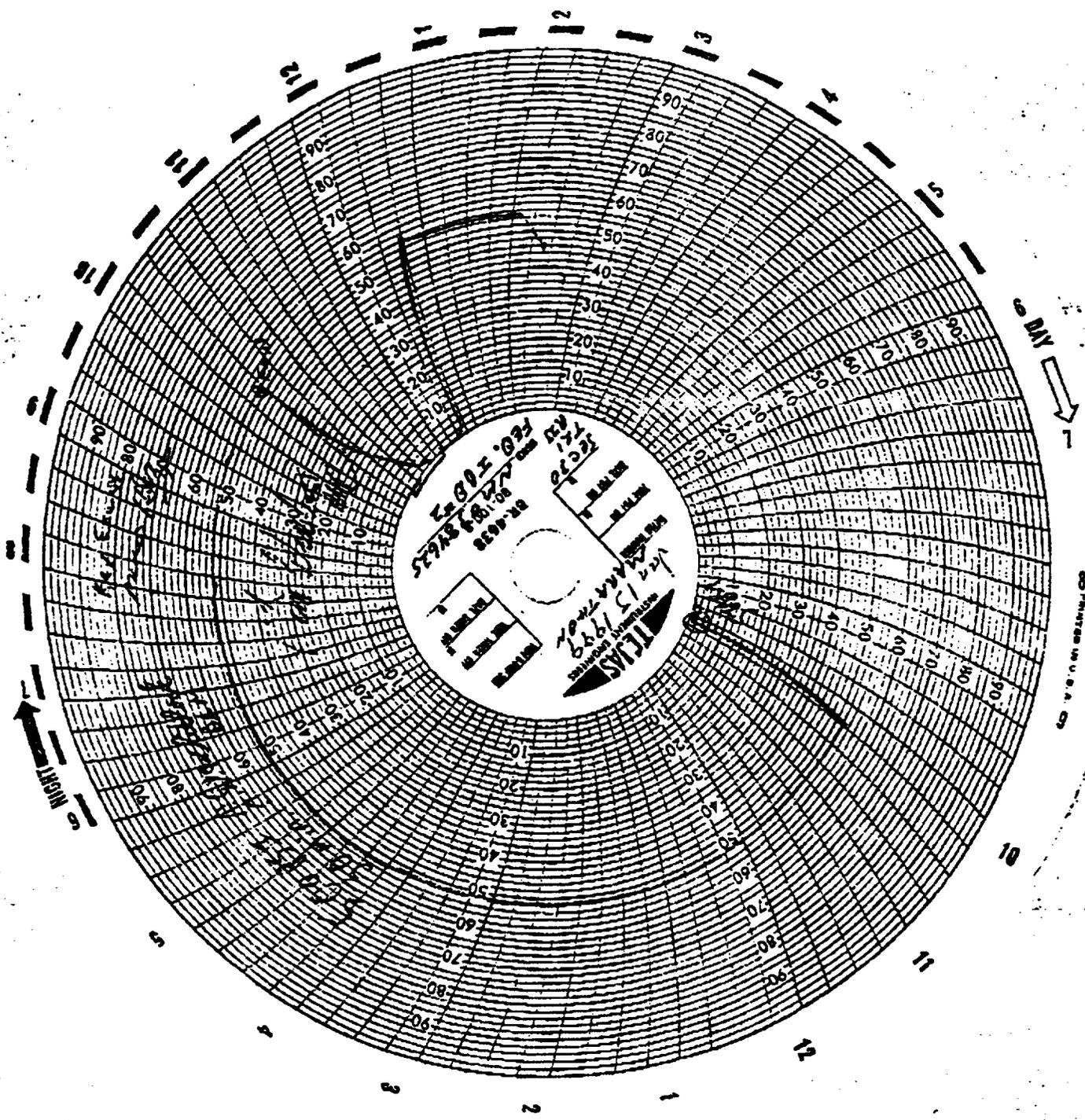
14. I hereby certify that the foregoing is true and correct

Signed *Henry Larke* Title Engineer Technician Date 11/13/98

(This space for Federal or State office use)

Approved by (ORIG. SGD.) ALEXIS C. SWOBODA Title PETROLEUM ENGINEER Date 11/13/98

Conditions of approval, if any:



PRINTED IN U.S.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT CONSERVATION DIVISION

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

5. Lease Designation and Serial No.
NM0384625

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
CA No. SRM-1497

8. Well Name and No.
Federal IBD Gas Com #2

9. API Well No.
30-015-23313

10. Field and Pool, or exploratory Area
Indian Basin Upper Penn

11. County or Parish, State
Eddy Co. NM

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Marathon Oil Company

3. Address and Telephone No.
P.O. Box 552, Midland, TX 79702 915-687-8334

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
UL "A" 800' FNL & 200' FEL
Sec. 30, T-21-S, R-23-E

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"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Renew TA Status</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<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.)*

Marathon Oil Co. is requesting renewal of the Temporary Abandonment status of this well. The well was tested for casing integrity on 2-18-92. The test proved integrity and was witnessed by Mr. D. Whitlock. The well has potential use as a water disposal well for produced water from wells in the Indian Basin area. As development in the Indian Basin and Dagger Draw areas continue, more disposal capacity may be required. The need for such capacity should be revealed by 12-96.

APR 1 8 1996

OIL CON. DIV.

TA APPROVED FOR 10 MONTH PERIOD. 2
ENDING 2/15/97

RECEIVED
APR 1 1996

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

Signed Thomas M Price Title Advanced Engineering Tech Date 3-01-96

(This space for Field Office use) Approved by CRIS. SCD. JOE G. LARA Title PETROLEUM ENGINEER Date 2/15/96

Conditions of approval, if any:

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 Temporarily Abandoned

2. Name of Operator
Marathon Oil Company

3. Address and Telephone No.
P.O. Box 552, Midland, TX 79702 915-687-8334

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**UL "A" 800' FNL & 200' FEL
 Sec. 30, T-21-S, R-23-E**

NM OIL CONS COMMISSION
 Drawer DD
 FORM APPROVED
 Artesian Bureau No. 1004-0135
 Expires: March 31, 1993

5. Lease Designation and Serial No.
NM0384625

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
CA No. SRM-1497

8. Well Name and No.
Federal IBD Gas Com #2

9. API Well No.
30-015-23313

10. Field and Pool, or exploratory Area
Indian Basin Upper Penn

11. County or Parish, State
Eddy Co. 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"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Renew TA Status</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<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.)*

Marathon Oil Co. is requesting renewal of the Temporary Abandonment status of this well. The well was tested for casing integrity on 2-18-92. The test proved integrity and was witnessed by Mr. D. Whitlock. The well has potential use as a water disposal well for produced water from wells in the Indian Basin area. As development in the Indian Basin and Dagger Draw areas continue, more disposal capacity may be required. The need for such capacity should be revealed by 12-96.

MAY 15 1995

TA APPROVED FOR 12 MONTH PERIOD
 ENDING 5/11/96

RECEIVED
 APR 12 12 30 PM '95
 OIL CONS. DIV.
 ARTESIAN AREA 1

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

Signed [Signature] Title Operations Superintendent Date 4-11-95

(This space for Federal or State office use)
 Approved by (ORIG. SGD.) JOE G. LARA Title PETROLEUM ENGINEER Date 5/11/95
 Conditions of approval, if any:

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Drawer DE
Artesia, NM 89210
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 <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	TEMPORARILY ABANDONED	5. Lease Designation and Serial No. NM 0384625
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 552, Midland TX 79702		7. If Unit or CA. Agreement Designation CA No. SRM-1497
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 800' FNL/200' FEL Sec. 30 T21S R23E		8. Well Name and No. FEDERAL IBD GAS COM. #2
		9. API Well No. 30015233130051
		10. Field and Pool, or Exploratory Area INDIAN BASIN UPPER PENN
		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 Interest	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other REQUEST T.A. STATUS
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completions 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.)

- Attached is a copy of the procedure to test the casing integrity on the above mentioned well.
- Also attached is a copy of the 1992 test and chart.
- We would like to request tempory abandonment status on this well for use in gathering resevoir data.

TA APPROVED FOR 12 MONTH PERIOD
ENDING 11/5/94

Oct 17 8 23 AM '93

14. I hereby certify that the foregoing is true and correct.
Signed [Signature] Title GANG-PUSHER Date 11/1/92

(This space for Federal or State office use)
Approved by 10010 SGO. JOE G. LARA Title Petroleum Engineer Date 11/5/93
Conditions of approval, if any:

subject to successful casing integrity test.

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.

MECHANICAL INTEGRITY TEST PROCEDURE
FEDERAL "IBD" GAS COM. #2
800' FNL/200' FEL (SEC 30) T-2-15 R-23-E
Eddy County, New Mexico
NM-0384625

DATE:

PURPOSE: Run mechanical integrity test. (MIT)

ELEVATION: 4069'GL/4085'KB

PBTD: 7250'

SURFACE CASING: 13 3/8" (48#) 148'.

INTERMEDIATE CASING: 8 5/8" (24#) @ 2000#.

PRODUCTION CASING: 5 1/2" (15.5#) 500'.

PRODUCTION TUBING: 2 3/8" J55 @ 7000'.

PACKER: BAKER LOK-SET @ 7000'.

SAFETY PRECAUTION: Monitor H₂S at the wellhead while running test.

1. Notify BLM representative, Duncan Whitlock, 48 hours prior to running MIT. (BLM telephone number (505) 887-6544)
2. RU Service Company.
3. Test line and valves to 500 psig.
4. Install pressure gauges with pen records on casing annulus.
5. Fill tubing-casing annulus with 2% KCl water and pressure test to 500 psig.
6. Monitor pressure for ³⁰~~15~~ minutes.
7. Rd Service Company.
8. Send pressure chart to Midland Production office.

TLW/sd

CONSERVATION DIVISION UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

'93 DE: 9 800050

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

5. Lease Designation and Serial No.
N.M. 0384625
6. If Indian, Allottee or Tribe Name
7. If Unit or CA, Agreement Designation
CA No. SRM-1497
8. Well Name and No.
Federal IBD Gas Com #2
9. API Well No.
30015233130051
10. Field and Pool, or Exploratory Area
Indian Basin Upper Penn
11. County or Parish, State
Eddy N.M.

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other Temporarily Abandoned
2. Name of Operator
Marathon Oil Company
3. Address and Telephone No.
P.O. Box 1324, Artesia, NM 88210 (505)457-2621
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
800' FNL/200' FEL SEC. 30 T215 R23E

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

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

- 1) On February 18 this year the above mentioned well was tested for casing integrity.
- 2) The test proved integrity as witnessed by Mr. D. Whitlock.
- 3) We would like to request temporary abandonment status on this well.
- 4) Attached is a copy of the test chart.

CARRIAGE AREA
MAR 25 11 31 AM '92
SERS

RECEIVED

APPROVED FOR 12 MONTH PERIOD
ENDING 04-01-93

14. I hereby certify that the foregoing is true and correct
Signed Noel R. Dyer Title Plant Superintendent Date 3/23/92
(This space for Federal or State office use)
Approved by David P. Ellis Title _____ Date 3-27-92
Conditions of approval, if any:

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OIL CONSERVATION DIVISION
RECEIVED

MAR 26 1992

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

NOTICE AND REPORTS ON WELLS
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 <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Temporarily Abandoned	5. Lease Designation and Serial No. N.M. 0384625
2. Name of Operator Marathon Oil Company ✓	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 1324, Artesia, NM 88210 (505)457-2621	7. If Unit or CA, Agreement Designation CA No. SRM-1497
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 800' FNL/200' FEL SEC. 30 T215 R23E	8. Well Name and No. Federal IBD Gas Com #2
	9. API Well No. 30015233130051
	10. Field and Pool, or Exploratory Area Indian Basin Upper Penn
	11. County or Parish, State Eddy N.M.

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

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

- 1) On February 18 this year the above mentioned well was tested for casing integrity.
- 2) The test proved integrity as witnessed by Mr. D. Whitlock.
- 3) We would like to request temporary abandonment status on this well.
- 4) Attached is a copy of the test chart.

APPROVED FOR 12 MONTH PERIOD
ENDING 04-01-93

RECEIVED
MAR 25 11 31 AM '92
CARTER AREA

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

Signed Noel R. Daza Title Plant Superintendent Date 3/23/92

(This space for Federal or State office use)

Approved by [Signature] Title _____ Date 3/27/92

Conditions of approval, if any:

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

RECEIVED

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.

5. Lease Designation and Serial No.

NM-0384625

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

CA No. SRM-1497

8. Well Name and No.

Federal IBD Gas Cor

9. APT Well No.

300152331300S1

10. Field and Pool, or Exploratory Area

Indian Basin (U. Pe

11. County or Parish, State

Eddy County, N.M.

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

Temporarily Abandoned Gas Well

DEC 12 '90

2. Name of Operator

Marathon Oil Company

O. C. D.

ARTESIA, OFFICE

3. Address and Telephone No.

P. O. Box 1324 Artesia, NM 88210 (505) 457-2621

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

800' FNL 200' FEL Sec. 30 T21S R23E

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

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

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.)*

The following was the work performed on the above referenced well.

1. Rigged up B & E Kill Truck.
2. Loaded Tubing/Casing Annulus with 26 Bbls 2% KCl water.
3. Pressured Tubing/Casing Annulus to 600 psig. Shutdown kill truck pump and held 600 psig pressure on annulus for 15 minutes. (See attached chart).
4. Released pressure and rigged down kill truck.

NOTE: Test was not witnessed by BLM. Approval to proceed with test was received from Mr. Shannon Shaw by Steve York (Marathon) per telecon on November 30, 1990.

APPROVED FOR 12 MONTH PERIOD

ENDING 11/30/91

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

Signed

[Signature]

Title

[Signature]

Date

12-6-90

(This space for Federal or State office use)

Approved by

[Signature]

Title

[Signature]

Date

12-11-90

Conditions of approval, if any:

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 statement or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

56

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special in-

structions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

SPECIFIC INSTRUCTIONS

14—If there are no applicable State requirements, locations on Federal and Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

13—Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include information for the abandonment; data on any former or present productive

zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et. seq., 351 et. seq., 25 U.S.C. et. seq.; 43 CFR 3160.

PRINCIPAL PURPOSE — The information is to be used to evaluate, when appropriate, approve applications, and report completion of secondary well operations, on a Federal or Indian lease.

ROUTINE USES:

- (1) Evaluate the equipment and procedures used during the proposed or completed subsequent well operations.
- (2) Request and grant approval to perform those actions covered by 43 CFR 3162.3-2(2).
- (3) Analyze future applications to drill or modify operations in light of data obtained and methods used.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION — Filing of this notice and report and disclosure of the information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected in order to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

This information will be used to report subsequent operations once work is completed and when requested, to obtain approval for subsequent operations not previously authorized.

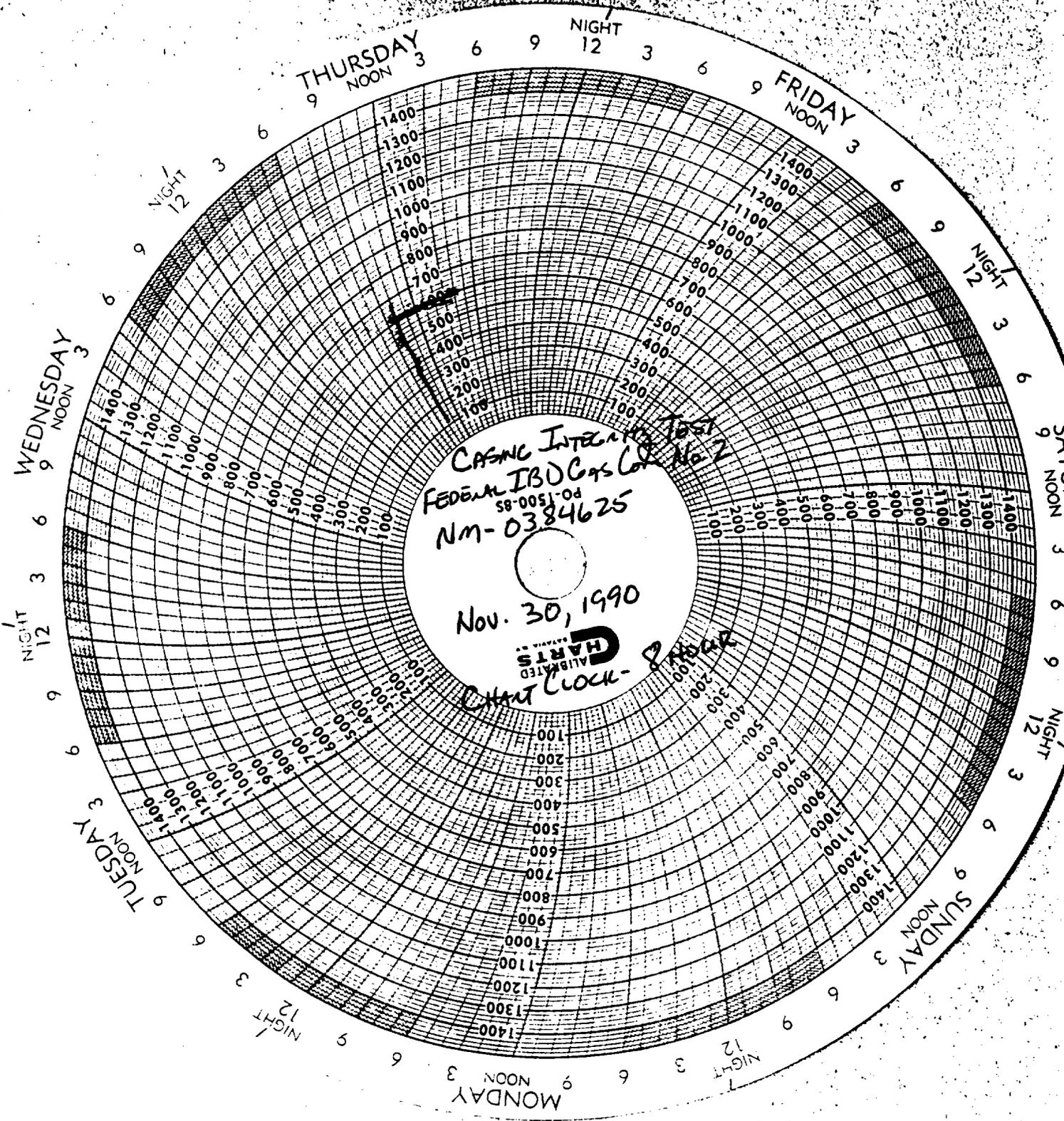
Response to this request is mandatory for the specific types of activities specified in 43 CFR Part 3160.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 18 and C Streets, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0135), Washington, D.C. 20503.

CENTRAL HOLDING

BUREAU OF LAND MANAGEMENT
DEPARTMENT OF THE INTERIOR



CASINO INTEGRATED TEST
FEDERAL IBD CAS CO. No 2
PO 1500-85
NM-0384625

Nov. 30, 1990

CHART CLOCK - 8 HOUR



**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

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.

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

5. Well Designation and Serial No.
**RECEIVED
NM-0384625**

6. If Indian, Allottee or Tribe Name
Nov 30 11 44 AM '90

7. If Unit or CA, Agreement Designation
**CARLETON SURGE
ARIZONA HEADQUARTERS
CA No. SRM-1497**

8. Well Name and No.
Federal IBD Gas Com

9. API Well No.
300152331300S1

10. Field and Pool, or Exploratory Area
Indian Basin (U. Pe)

11. County or Parish, State
Eddy County, New Me

SUBMIT IN TRIPLICATE

RECEIVED

1. Type of Well
 Oil Well Gas Well Other **Temporarily Abandoned Gas Well**

2. Name of Operator
Marathon Oil Company

3. Address and Telephone No.
P. O. Box 1324 Artesia, NM 88210 (505) 457-2621

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
800' FNL 200' FEL Sec. 30 T21S R23E

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"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Casing Integrity Test</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<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.)*

Marathon Oil Company proposes performing a casing integrity test on the above referenced well. Following is the procedure:

1. Notify the Bureau of Land Management at (505) 887-6544 at least 24 hours prior to commencement of Casing Integrity Test.
2. Install Chart Recorder on production casing.
3. Rig up kill truck and load casing/tubing annulus with 2% KCl water with corrosion inhibitor.
4. Pressure casing/tubing annulus to 500 psig for 15 minutes.
5. Release pressure and rig down kill truck and chart recorder. Retain pressure chart for submittal with subsequent report.

Notes: Verbal approval was obtained from Mr. Shannon Shaw per telecon with Mr. Kevin K. Miller (Marathon) on November 28, 1990.

Downhole Data: Upper Penn Perfs 7026-7080, Model R Packer set at 6906'

Marathon Oil Company respectfully requests permission to continue shut-in status of this well for future evaluation, IF WELL PASSES THE CASING INTEGRITY TEST.

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

Signed Steph. York Title PLANT SUPT. Date 11-28-90

(This space for Federal or State office use)

Approved by _____ Title _____ Date 12-5-90

Conditions of approval, if any: _____

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.

(November 1983)
(Formerly 9-331)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0-33
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

NM 0384625

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back or without proposal.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Marathon Oil Company ✓

3. ADDRESS OF OPERATOR
P. O. Box 552, Midland, Texas

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
800' FNL and 200' FEL

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)
RKB: 4083'; GL: 4067'

FEB - 3 1987
O. C. D.
ARTESIA, OFFICE

7. UNIT AGREEMENT NAME

Indian Basin

8. FARM OR LEASE NAME

Federal "IBD" Gas Com

9. WELL NO.

2

10. FIELD AND POOL OR WILDCAT

Indian Basin - Upper Penn

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

Sec. 30, T-21-S, R-23-E

12. COUNTY OR PARISH 13. STATE

Eddy N. Mexico

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input checked="" type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	

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

17. 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.)*

1-28-87: SITP 1350 psi. SICP 0 psi. Installed wellhead isolation tool and acidized Upper Penn perforations with 6000 gallons 20% FE-SGA acid containing 1000 SCF/Bbl. of Nitrogen. Used 15 ball sealers for divert. Flushed w/ 2% KCl containing 750 SCF/Bbl. Nitrogen. Flowed well to frac tank on 16/64" choke for 2 hours recovering 50 BW. FTP 250 psi. Removed tree and installed BOP. Released packer and pulled out of hole w/ 5½" Lok-set packer and 2-3/8" tubing. Ran in hole w/ 5½" Model "R" double grip packer and seating nipple on 2-3/8" tubing. Hydro tested tubing in hole. Set packer at 6906'. Removed BOP and installed wellhead.

Currently testing well.

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

SIGNED Eui M. Hingle TITLE Engineer DATE Jan. 29, 1987

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE
(Other instructions on re-
verse side)

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—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		7. UNIT AGREEMENT NAME Indian Basin	
2. NAME OF OPERATOR Marathon Oil Company		8. FARM OR LEASE NAME Federal "IBD" Gas Com	
3. ADDRESS OF OPERATOR P. O. Box 552, Midland, Texas		9. WELL NO. 2	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below) At surface 880' FNL and 200' FEL 800		10. FIELD AND POOL, OR WILDCAT Indian Basin - Upper Pe	
14. PERMIT NO.		11. SEC. T, R, M, OR BLK. AND SURVEY OR AREA Sec. 30, T-21-S, R-23-E	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) RKB 4085'		12. COUNTY OR PARISH Eddy	
		13. STATE Texas	

RECEIVED BY
JAN 21 1987
O. C. D.
ARTESIAN OFFICE

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input checked="" type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other: <input type="checkbox"/>	

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

17. 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.)*

Marathon Oil Company plans to acidize the Upper Penn formation (perforations 7026'-7080') with 6000 gallons of 20% FE-SGA acid containing 750 SCF Nitrogen per barrel with 15 ball sealers down 2-3/8" tubing.

Estimated starting date is January 21, 1987.

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

SIGNED Eve M. Pingle TITLE Engineer DATE Jan. 20, 1987

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-101-05
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

NM 0384625

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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" for such proposals.)

1. OIL WELL GAS WELL OTHER

RECEIVED BY
DEC 24 1986
O. C. D.
7970 ARTESIA, OFFICE

2. NAME OF OPERATOR
Marathon Oil Company

3. ADDRESS OF OPERATOR
P. O. Box 552, Midland, Texas

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below)
At surface
800
~~880~~' FNL and 200' FEL

14. PERMIT NO
RKB 4085'

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

7. UNIT AGREEMENT NAME
Indian Basin

8. FARM OR LEASE NAME
Federal IBD Gas Com

9. WELL NO.
2

10. FIELD AND POOL, OR WILDCAT
Indian Basin - Upper Per

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA
Sec. 30, T-21-S, R-23-E

12. COUNTY OR PARISH; 13. STATE
Eddy N. Mexico

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other)

PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON*
CHANGE PLANS

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING

REPAIRING WELL
ALTERING CASING
ABANDONMENT*

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

17. 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.)*

12-18-86 Removed tree and installed BOP. Released 5 1/2" Baker Lok-set pkr. and pulled out of hole with production equipment. Rigged up Gearhart and set Halliburton cement retainer on wireline at 7130'.

12-19-86 Ran in hole with stinger on 2-3/8" tubing and stung into retainer. Establish injection rate into Upper Penn perforations (7162'-7214') at 5 BPM and 0 psig. Squeezed perforations with 75 sx. Cl. "H" cmt. with .3% Halad 9 and 75 sx. Cl. "H" Neat to 5000 psig. Stung out of retainer and circ. 55 sx. of Cl. "H" to pit leaving 6' of cement on top of plug. Rigged up Gearhart and perforated Upper Penn at 7026-28', 42-44', 58-66', and 78-80' with 1 JSPF (18 holes).

12-20-86 Ran in hole w/ 5 1/2" Baker Lok-set pkr. and on-off tool on 2-3/8" tubing. Set packer at 6916'. Nippled down BOP and installed tree. Loaded backside and acidized Upper Penn perforations (7026'-80') with 2000 gallons 15% NEFE acid. Presently testing well.

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

SIGNED: C. M. Pungel TITLE: Engineer DATE: 12-23-86

(This space for Federal or State office use)

APPROVED BY: _____ TITLE: _____ DATE: _____

CONDITIONS OF APPROVAL, IF ANY:

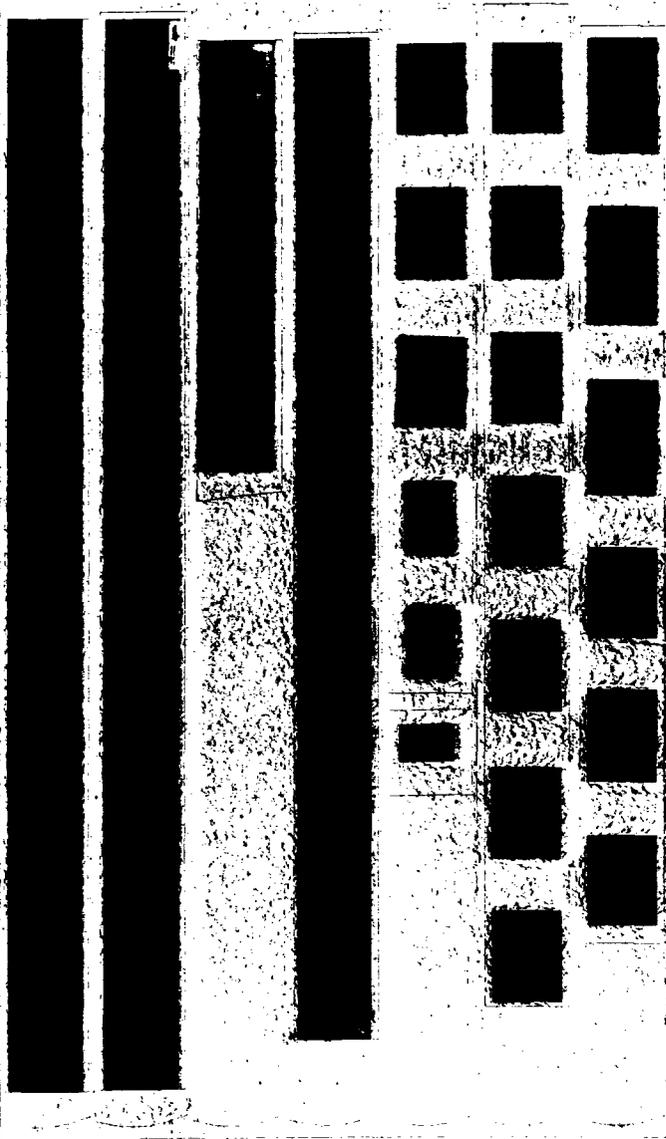
*See Instructions on Reverse Side

Periodic Information
Corporation
DE-FICHE

218-235-20 01 THE NEI
NEW MEXICO NM

WELL FEDERAL 180 GAS ?
OPERATION NM
CHRYSLER

AP: 90-015-23313
ISSUE: A07/87
CARD: 1+



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1/14/02

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

January 2, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702-0552

Attention: Steven F. Millican

Re: *Administrative application (application reference No. pKRV0-133938634) for an exception to Division Rule 104.C (2) (a) within the Wolfcamp formation for the existing Federal "IBD" Gas Com. Well No. 2 (API No. 30-015-23313), located 800 feet from the North line and 200 feet from the East line (Unit A) of Section 30, Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico.*

Dear Mr. Millican:

Your application is incomplete: (i) with respect to notice, the 320-acre tract to the northeast of the subject unit is considered to be an adversely affected offsetting tract (the location of the existing well is closer to this unit than a well at the closest standard location within the NE/4 of Section 30); also (ii) please reference the Division's previous approval for the unorthodox Upper-Pennsylvanian gas well location for the Federal "IBD" Gas Com. Well No. 2.

Since the application as submitted is insufficient to review, the application was ruled as incomplete on January 2, 2002. Please submit the above stated information by Wednesday, January 9, 2002.

The Division cannot proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465. Thank you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Artesia
W. Thomas Kellahin, Legal Counsel for Marathon Oil Company - Santa Fe
Walter Dueeese, Marathon Oil Company - Midland

Marathon Oil Company

Fax

To: MICHAEL STOGNER From: STEVE MILLICAN
 Fax: (505) 476-3471 Pages: 10, including this cover sheet
 Phone: (505) 476-3465 Date: 1/09/02
 Re: FED 'IBD' G.C. #2 UNORTHODOX LOCATION CC:

Urgent For Review Please Comment Please Reply Please Recycle

Comments:

MR. STOGNER,

AS PER OUR CONVERSATION ON JANUARY 7,
 ATTACHED IS THE ADDITIONAL INFORMATION NECESSARY
 TO COMPLETE OUR APPLICATION.

PLEASE CALL ME IF THERE IS ANYTHING
 I NEED TO DO,



915-687-8306 (PHONE)

From....
 Marathon Oil Company
 Indian Basin Asset Team
 125 W. Missouri
 Midland, TX 79701
 Phone: 915/687-8322
 Fax: 915/687-8305

Southern U.S. Business Unit
Domestic Production



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

January 8, 2002

Mr. Michael Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

RE: *Administrative application (application reference No. pKRV0-133938634) for an exception to Division Rule 104.C (2) (a) within the Wolfcamp formation for the existing Federal "IBD" Gas Com. Well No. 2 (API No. 30-015-23313), located 800' FNL and 200' FEL (Unit A) of Section 30, Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico.*

Dear Mr. Stogner:

This is in response to your letter dated January 2, 2002, received by Marathon on January 7, 2002, whereby you requested two additional actions in order to complete our application for the above referenced well.

First, you pointed out that our proposed recompletion is non-standard to the 320-acre tract to the northeast of the subject unit. Accordingly, Marathon has reviewed the ownership of Section 20, Township 21 South, Range 23 East and has submitted waiver letters to those operators not already notified. Attached to this application is a listing of the working interest owners in Section 20 and copies of the waiver letters submitted therein by certified mail on January 8, 2002. In addition, signed copies of the waiver letters submitted to the operators of Section 30, Township 21 South, Range 23 East, have been included.

Secondly, you requested a reference to the Division's previous approval for the unorthodox Upper-Pennsylvanian gas well location for the Federal "IBD" Gas Com. Well No. 2. The reference is as follows: Case No. 6845, Order No. R-6310 dated April 15, 1980. In addition, a copy of the Division Order has been included.

I would like to apologize that the recent filing for the Wolfcamp non-standard location was incomplete. I hope that this additional information is as per your expectations. If you have any questions/comments/concerns, please contact me at (915) 687-8306.

Respectfully,

Steven F. Millican
Operations Engineer
Indian Basin Asset Team
Marathon Oil Company

Below are the Working Interest Owners and their percentages for Sec. 20, T21S-R23E,
Eddy County, New Mexico:

	WI	NRI
Marathon Oil Company PO Box 552 Midland, TX 79702-0552	50.00000%	42.18750%
Kerr-McGee Corp (Acquired Oryx Energy) PO Box 840638 Dallas, TX 75284-0638	27.07031%	22.15586%
Devon SFS Operating Inc PO Box 730292 Dallas, TX 75373-0292	10.15625%	8.27291%
Yates Petroleum 105 South 4th Street Artesia, New Mexico	8.51563%	6.96926%
J. Hiram Moore, LTD 310 W. Wall, Ste. 404 Midland, TX 79701	4.25781%	3.48483%

Southern U.S. Business Unit
Domestic Production



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

November 29, 2001

Chevron
Attn: Scott Ingram
P. O. Box 1150
Midland, TX 79702

Re: Application for an Unorthodox Well Location for the Federal Indian Basin "D" Gas Com Well No. 2
Location: UL "A", 800' FNL and 200' FEL, Section 30, T-21-S, R-24-E, Eddy County, New Mexico

Dear Sir or Madam:

Marathon Oil Company plans to recomplete the above referenced well in the Wolfcamp formation. This well will be governed by the Statewide Rule 104C. This well does not conform to the 660' spacing requirement from the outer boundary of the Gas Proration Unit (GPU) as its locations is 200' from the East Line of Section 30.

This letter is to inform you, as an offset operator or interest owner, of Marathon's intention to request administrative approval for this non-standard location. If you have an objection to this application, it must be filed, in writing, with the New Mexico Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, New Mexico 87504, within 20 days from the date of this letter. Should you have no objection to this location, please sign below and return an executed copy of this letter to me in the envelope provided. The application for administrative approval for this location will be sent to the Oil Conservation Division in Santa Fe as soon as possible. If you have any questions or need more information, please call me at (915) 687-8321.

Sincerely,

A handwritten signature in cursive script that reads "Ginny Larke".

Ginny Larke
Engineer Technician
Indian Basin Asset Team

Signature: Scott M. Ingram

Printed Name: SCOTT M. INGRAM

Title: CARLSBAD TIL

Company Name: CHEVRON USA

Date: 12/14/01

Southern U.S. Business Unit
Domestic Production



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

November 29, 2001

Kerr McGee
Attn: Mark Peavy
P. O. Box 809004
Dallas, TX 75380-9004

Re: Application for an Unorthodox Well Location for the Federal Indian Basin "D" Gas Com Well No. 2
Location: UL "A", 800' FNL and 200' FEL, Section 30, T-21-S, R-24-E, Eddy County, New Mexico

23
[Handwritten signature]

Dear Sir or Madam:

Marathon Oil Company plans to recomplete the above referenced well in the Wolfcamp formation. This well will be governed by the Statewide Rule 104C. This well does not conform to the 660' spacing requirement from the outer boundary of the Gas Proration Unit (GPU) as its locations is 200' from the East Line of Section 30.

This letter is to inform you, as an offset operator or interest owner, of Marathon's intention to request administrative approval for this non-standard location. If you have an objection to this application, it must be filed, in writing, with the New Mexico Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, New Mexico 87504, within 20 days from the date of this letter. Should you have no objection to this location, please sign below and return an executed copy of this letter to me in the envelope provided. The application for administrative approval for this location will be sent to the Oil Conservation Division in Santa Fe as soon as possible. If you have any questions or need more information, please call me at (915) 687-8321.

Sincerely,

[Handwritten signature: Ginny Larke]

Ginny Larke
Engineer Technician
Indian Basin Asset Team

Signature: *[Handwritten signature]*

Printed Name: Steve Foerster

Title: Land man

Company Name: Kerr-McGee Oil & Gas Onshore LP

Date: 12/06/01

Southern U.S. Business Unit
Domestic Production



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

January 9, 2002

Devon SFS Operating Inc
PO Box 730292
Dallas, TX 75373-0292

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Sincerely,

Ginny Larke
Engineer Technician
Indian Basin Asset Team

Signature: _____

Printed Name: _____

Title: _____

Company Name: _____

Date: _____

Southern U.S. Business Unit
Domestic Production



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

January 9, 2002

Yates Petroleum
105 South 4th Street
Artesia, New Mexico 88210

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Sincerely,

A handwritten signature in cursive script that reads 'Ginny Larke'.

Ginny Larke
Engineer Technician
Indian Basin Asset Team

Signature: _____

Printed Name: _____

Title: _____

Company Name: _____

Date: _____

Southern U.S. Business Unit
Domestic Production



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

January 9, 2002

J. Hiram Moore, Ltd.
310 W. Wall, Suite 404
Midland, TX 79701

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Ginny Larke
Engineer Technician
Indian Basin Asset Team

Signature: _____

Printed Name: _____

Title: _____

Company Name: _____

Date: _____

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. 6845
Order No. R-6310

APPLICATION OF MARATHON OIL COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 26, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of April, 1980, 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 the applicant, Marathon Oil Company, seeks approval of an unorthodox gas well location 800 feet from the North line and 200 feet from the East line of Section 30, Township 21 South, Range 23 East, NMPM, to test the Pennsylvanian formation, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.
- (3) That the special pool rules for said Indian Basin-Upper Pennsylvanian Gas Pool, as promulgated by Order No. R-2440 and made permanent by Order No. R-2440-A, provide for 640-acre (one section) spacing and proration units in said pool.
- (4) That while all of said Section 30 is to be dedicated to the well, no more than 190 acres within such section may be presumed to be productive from the Indian Basin-Upper Pennsylvanian Gas Pool.

-2-

Case No. 6845
Order No. R-6310

(5) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(6) That a well drilled at the proposed unorthodox location should receive an allowable penalty based upon productive acres in said Section 30.

(7) That the allowable factor for said well should be calculated as follows:

$$\text{Allowable Factor} = \frac{190 \text{ (Finding 4)}}{640 \text{ (Finding 3)}} = 0.30$$

(8) That the assignment of an allowable factor as described in Finding No. (7) above will permit the applicant to produce its just and equitable share of the gas in the Indian Basin-Upper Pennsylvanian Gas Pool, will protect applicant's correlative rights and prevent waste, and will protect the correlative rights of offset operators in the pool.

IT IS THEREFORE ORDERED:

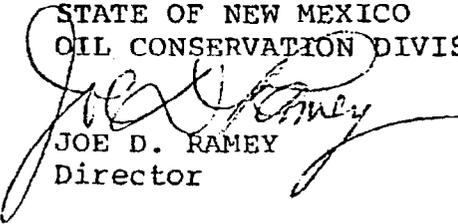
(1) That an unorthodox gas well location for the Pennsylvanian formation is hereby approved for a well to be located at a point 800 feet from the North line and 200 feet from the East line of Section 30, Township 21 South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico, provided however, that such well upon completion in said pool shall have an allowable factor for gas proration purposes of 0.30.

(2) That all of said Section 30 shall be dedicated to the above-described well.

(3) 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
fd/