

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF-078872 A	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Marathon Oil Company		7. UNIT AGREEMENT NAME No assigned	
3. ADDRESS OF OPERATOR P. O. Box 552, Midland, TX 79702		8. FARM OR LEASE NAME Bolack 16	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1015' FNL & 790' FEL At proposed prod. zone 1015' FNL & 790' FEL		9. WELL NO. 16-2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8.5 miles south of Bloomfield, NM		10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 790'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA A Sec. 16, T-27-N, R-11-W	
16. NO. OF ACRES IN LEASE 220-240.76		12. COUNTY OR PARISH San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL E/320		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None on lease		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6257 6256.5' GL This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4		22. APPROX. DATE WORK WILL START* May 1, 1990	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
11"	8-5/8"	24#	250'
7-7/8"	5-1/2"	15.5#	2000'
		QUANTITY OF CEMENT	
		175 sacks circ to surface	
		315 sacks circ to surface	

Propose to drill to TD of  $\pm 2000'$ .

All casing will be run and cemented in accordance with regulations and by approved methods.

Blowout prevention equipment will be as outlined in Additional Information.

See attached Multipoint Surface Use Plan and Additional Information for specific drilling operations.

RECEIVED  
MAY 21 1990CON. DIV.  
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Drilling Superintendent

DATE 4/4/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOC

\*See Instructions On Reverse Side

MAY 15 1990

AREA MANAGER

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-168  
Revised 1-1-90

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

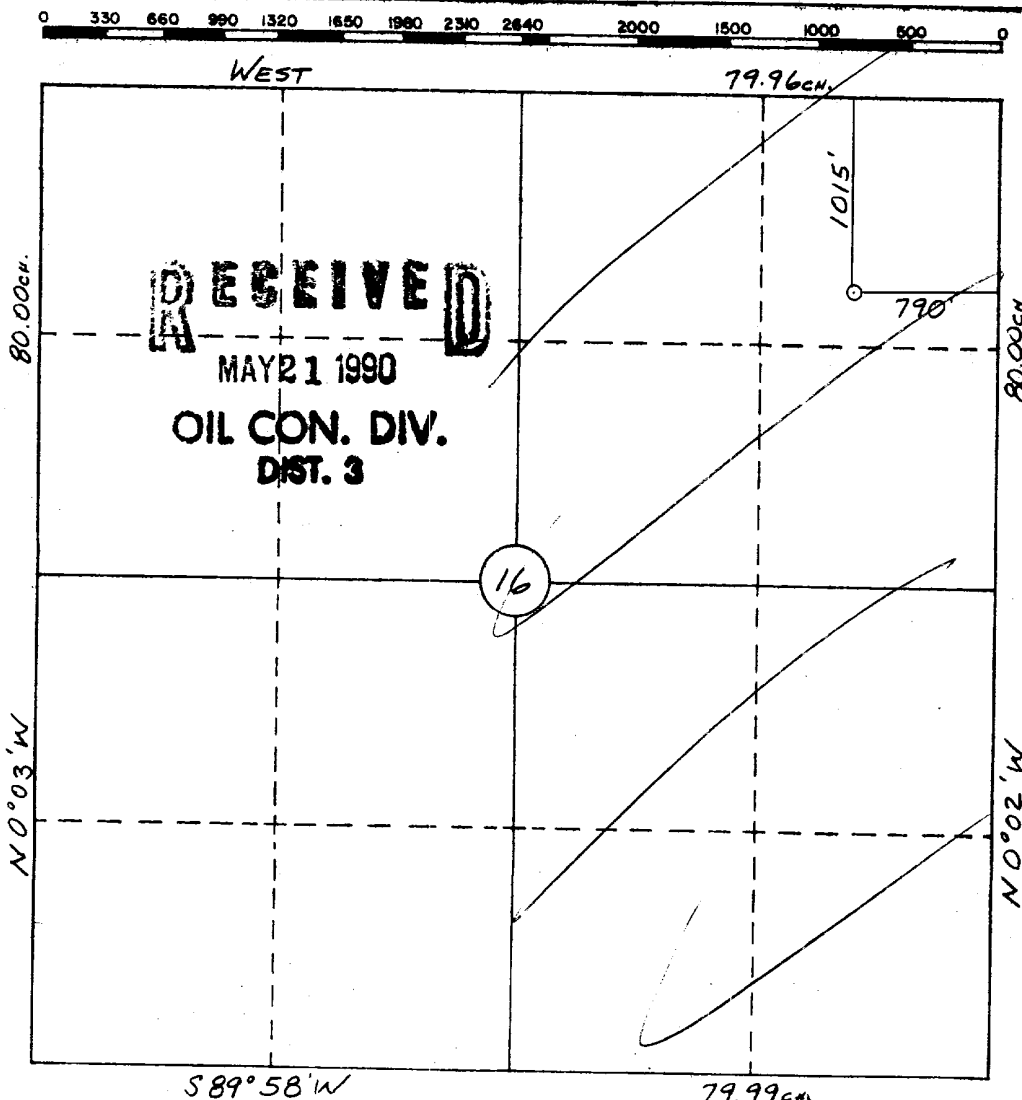
DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator MARATHON OIL COMPANY			Lease BOLACK 16		Well No. 16-2
Unit Letter A	Section 16	Township 27 N	Range 11 W	County San Juan	
Actual Footage Location of Well: 1015 feet from the North line and 790 feet from the East line					
Ground level Elev. 6256	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. 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.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					



OPERATOR CERTIFICATION

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

Signature  
S. L. Atnipp  
Printed Name  
S. L. Atnipp  
Position  
Drilling Superintendent  
Company  
Marathon Oil Company  
Date  
4/4/90

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.

3-8-90

Date Surveyed  
William Hahnke II  
Signature  
Professional Surveyor  
NEW MEXICO  
#8466  
CERIFIED

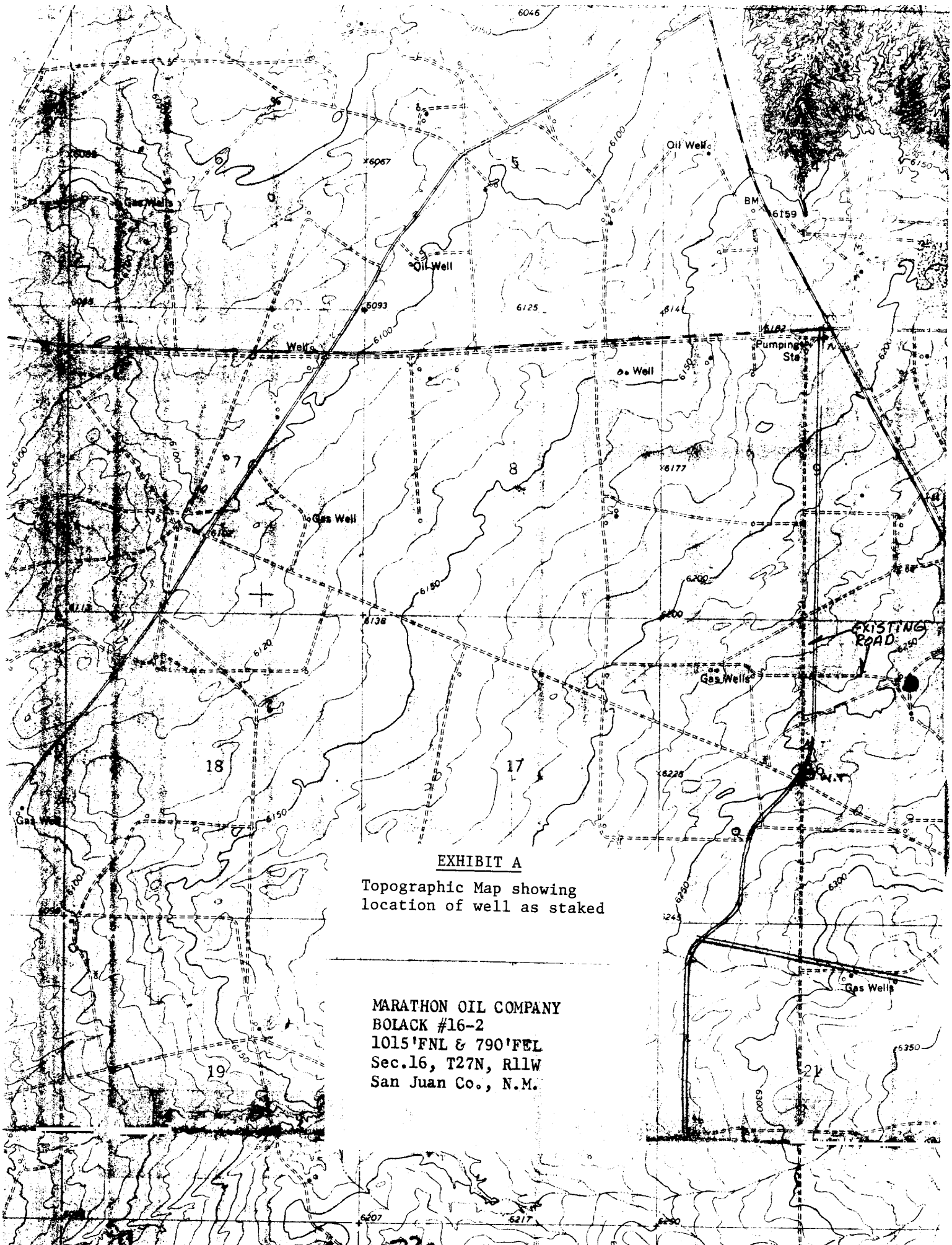


EXHIBIT A

Topographic Map showing  
location of well as staked

MARATHON OIL COMPANY  
BOILACK #16-2  
1015'FNL & 790'FEL  
Sec.16, T27N, R11W  
San Juan Co., N.M.