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PO Box 1980

Hobbs, NM 88241-1980

District II - (505) 748-1283

811 S. First

Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Road

Aztec, NM 87410

New Mexico

Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street

Santa Fe, New Mexico 87505

(505) 827-7131

Form C-140

Originated 11/1/95

Submit Original

Plus 2 Copies

to appropriate

District Office

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE CONSERVATION DIVISION.

- I. Operator: Marathon Oil Company OGRID #: 14021
Address: P. O. Box 552 - Midland, Texas 79702
Contact Party: Richard E. Pollard Phone #: (915) 687-8326
- II. Name of Well: Ohio "C" Gov. No. 2 API #: 3004507175
Location of Well: Unit Letter 1850 Feet from the north line and 990 feet from the west line,
Section 26, Township 28-N, Range 11-W, NMPM, San Juan County
- III. Date Workover Procedures Commenced: January 10, 1996
Date Workover Procedures were Completed: February 21, 1996
- IV. Attach a description of the Workover Procedures undertaken to increase the projection from the Well.
- V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.
- VI. Pool(s) on which Production Projection is based: Basin Dakota
- VII. AFFIDAVIT:

State of Texas)
) ss.
County of Midland)

R. E. Pollard, being first duly sworn, upon oath states:

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
Restoration Project.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Richard E. Pollard
(Name)

Senior Government Compliance Representative
(Title)

SUBSCRIBED AND SWORN TO before me this 7th day of March, 1996.

Lucy Ferby
Notary Public

My Commission expires: 8-5-96

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 10/21, 1996.

SSS
District Supervisor, District 3
Oil Conservation Division

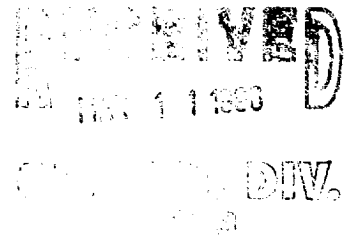
Date: 3/27/96

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.
DATE: _____

OHIO 'C' GOV. NO. 2
DESCRIPTION OF WORKOVER PROCEDURE

Purpose: Installed rod pump in gas well to unload water.

1. Ran 2-3/8" tubing to 6035'.
2. Ran rods and pump.
3. Installed Churchill 80 pumping unit.



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OHIO 'C' GOV. NO. 2
BASIS OF PRODUCTION PROJECTION

The production projection was based on decline curve analysis using Aries PC program and the following parameters:

Gas:

Start of history match:	January 1985
End of history match:	January 1996
Projection method:	Auto fit using exponential decline
Economic limit:	95 MCFPD
Bad data removed:	None

Oil:

Start of history match:	January 1985
End of history match:	April 1987
Projection method:	Auto fit using exponential decline
Economic limit:	Forced to match gas
Bad data removed:	September 1995 and January 1996. Booking of several month's worth of fractional Barrels of NGL a day resulted in an abnormality.

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OHIO C GOVT WELL NO. 2
API NO. 30045071750000
BASIN FIELD
SAN JUAN COUNTY , NM

DATE: 03/05/96
TIME: 14:28:19
PAGE: 1
NWNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	0	0
3/96	1	102
4/96	1	101
5/96	1	100
6/96	1	98
7/96	1	97
8/96	1	96
9/96	1	94
10/96	1	0
11/96	0	0
12/96	0	0
YTD/96	6	688
1/97	0	0
2/97	0	0
3/97	0	0
4/97	0	0
5/97	0	0
6/97	0	0
7/97	0	0
8/97	0	0
9/97	0	0
10/97	0	0
11/97	0	0
12/97	0	0
TOT/97	0	0
1/98	0	0
2/98	0	0
3/98	0	0
4/98	0	0
5/98	0	0
6/98	0	0
7/98	0	0
8/98	0	0
9/98	0	0
10/98	0	0
11/98	0	0
12/98	0	0
TOT/98	0	0
TOTAL	6	688

OHIO C GOVT

WELL NO.2

FIELD : BASIN

COUNTY: SAN JUAN

STATE : NM

OPERATOR: MARATHON OIL COMPANY

OIL-MCF

GAS-MCF

10000

1000

100

10

OIL=DEFAULT

Ref= 01/85

Cum= 58.418

Rem= 58.921

EUR= 11.833

Yrs= 10.0

Q1= 19.853

De= .000

Qab= .7

GAS=DEFAULT

Ref= 01/85

Cum=5742.086

Rem= 39.216

EUR=5781.302

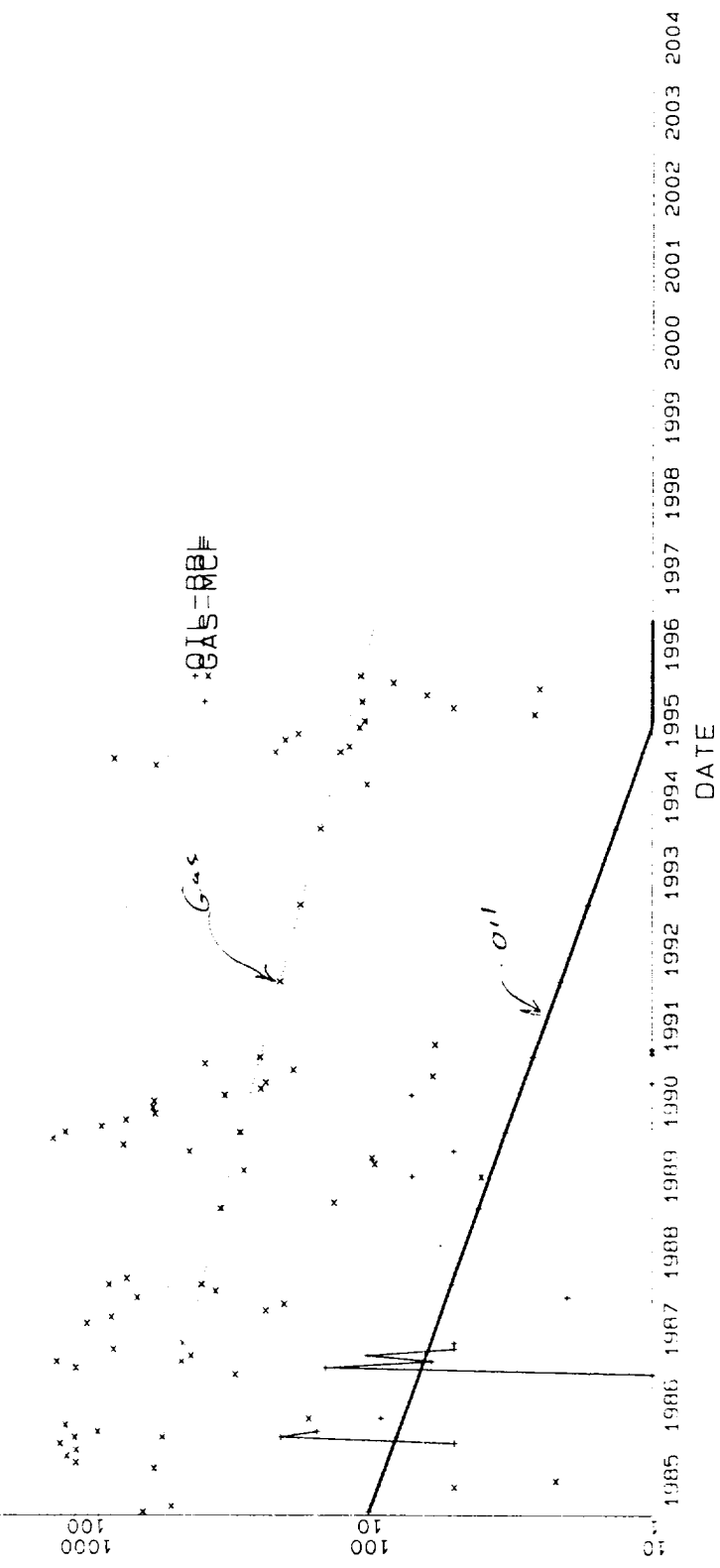
Yrs= 11.750

Q1= 620.5

De= 14.852

Qab= .000

95.0



NOTE: For clarity projection was started in 1985, thus several points on this line are projections not actual.