

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MARATHON OIL CO 5555 SAN FELIPE ST HOUSTON , TX 77056		2. OGRID Number 14021
		3. API Number 30-025-37653
4. Property Code 6454	5. Property Name MARK OWEN	6. Well No. 017

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	35	21S	37E	N	510	S	1650	W	LEA

8. Pool Information

PENROSE SKELLY,GRAYBURG	50350
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3370
14. Multiple N	15. Proposed Depth 4300	16. Formation Grayburg	17. Contractor	18. Spud Date 2/1/2006
Depth to Ground water 60		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000

Pit: Liner: Synthetic ☒ 12 _____ mils thick Clay ☐ Pit Volume: 2000 _____ bbls Drilling Method:
 Closed Loop System ☐ Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	11	8.625	24	400	280	0
Prod	7.875	5.5	15.5	4300	900	0

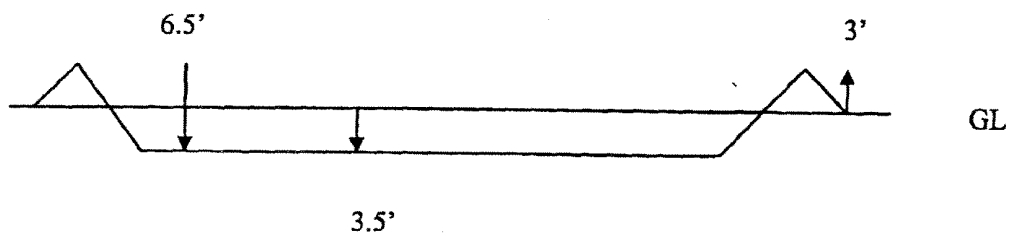
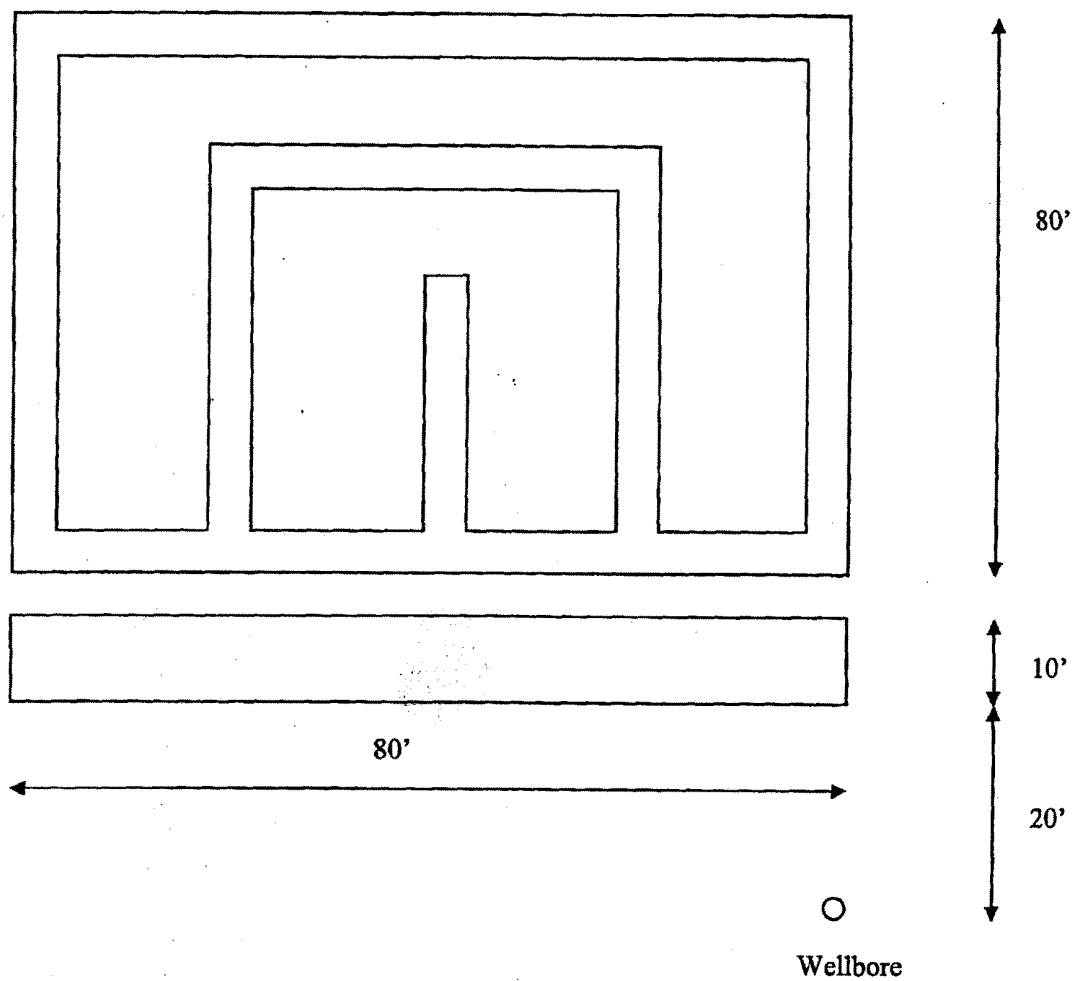
Casing/Cement Program: Additional Comments

Surface cement- 250 sks. Class C w/ 2% CACL, 1.34 yield, 14.8 ppg. wt.. Cement production casing- Lead- 800 sks., Interfill C, yield 2.52, 11.8 ppg. wt. Tail- 300 sks. Class H w/ Thirotropic & gilsonite, 1.31 yield, 14.2 ppg. wt.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Charles Kendrix	Approved By: Chris Williams	
Title: Engineering Technician	Title: District Supervisor	
Email Address: cekendrix@MarathonOil.com	Approved Date: 1/20/2006	Expiration Date: 1/20/2007
Date: 1/19/2006	Phone: 713-296-2096	Conditions of Approval Attached



DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 50350	Pool Name PENROSE SKELLY: GRAYBURG
Property Code 6454	Property Name MARK OWEN	Well Number 17
OGRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 3370'

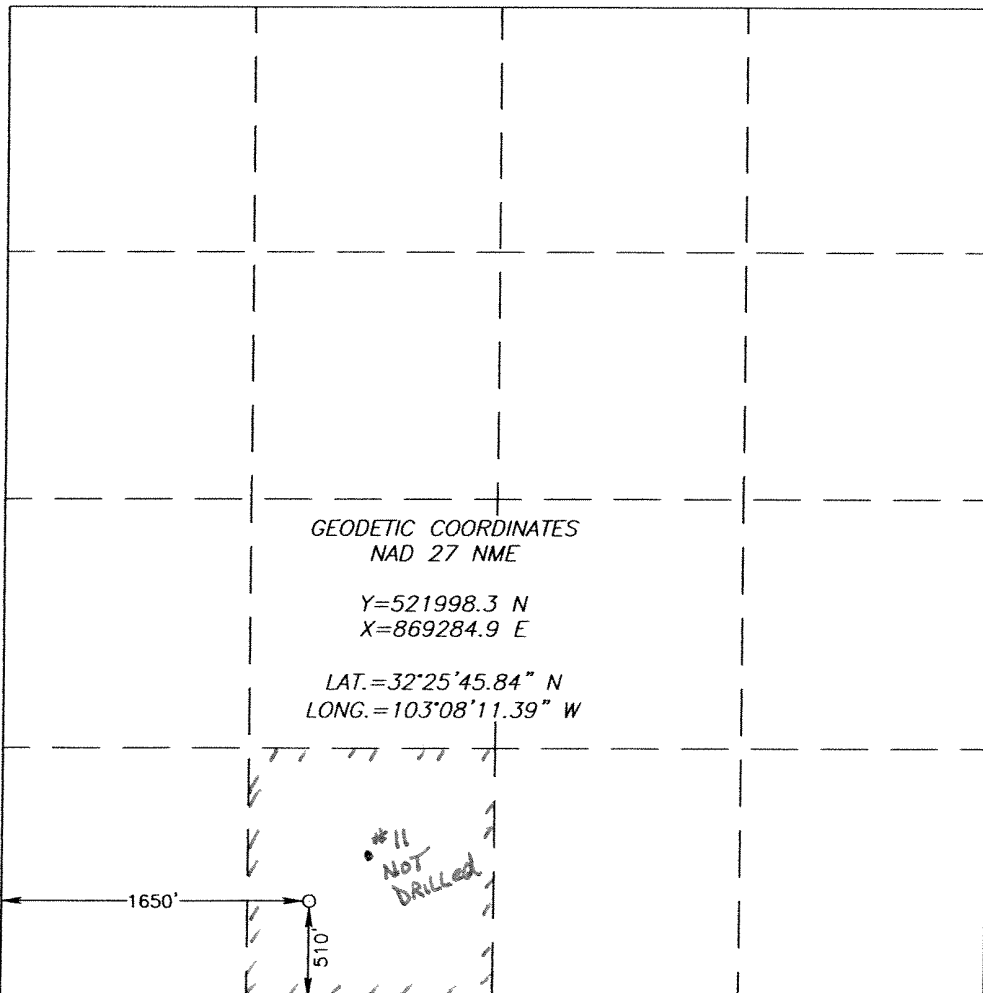
Surface Location

UL or lot No. N	Section 35	Township 21-S	Range 37-E	Lot Idn	Feet from the 510	North/South line SOUTH	Feet from the 1650	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Frank M Krugh</u> Printed Name <u>FRANK M KRUGH</u> Title <u>Reg. Comp. Rep. III</u> Date <u>1/19/06</u>
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JANUARY 11, 2006 Date Surveyed <u>LA</u> Signature & Seal of Professional Surveyor <u>Gary B Eidsen</u> 1/17/06 06.11.0062 Certificate No. <u>GARY EIDSON</u> 12641

Permit Conditions of Approval

Operator: MARATHON OIL CO , 14021

Well: MARK OWEN #017

API: 30-025-37653

OCD Reviewer	Condition
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines