

PNRM0506656792

C-103 Received 2-16-2005
DHC No. Assigned 3-7-2005

Order Number	API Number	Operator	County
HOB-0074A	30-025-25481	Marathon Oil Co.	Lea

Order Date	Well Name	Number	Location			
	Mark Owen	008	M	35	21S	37E
			UL	Sec	T (+Dir)	R (+Dir)

		Oil %	Gas %	
Pool 1	86440	Tubb Oil & Gas (Pro Gas)	49%	89%
Pool 2	62700	Wantz Abo	11%	9%
Pool 3	62730	Wantz Granite Wash	40%	2%
Pool 4				

Comments: Work completed effective _____

Work cancelled effective _____

Supplement _____

Posted to
RYBMS
3-7-2005

3

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-25481

OPERATOR: Marathon Oil Co.

HOB-074A

PROPERTY NAME: Mark Owen

WNULSTR: 8-M, 35-21-37

86440	SECTION I:	ALLOWABLE AMOUNT		
	POOL NO. 1	<u>Tubb Oil & Gas (Pro Gas)</u>	<u>999</u>	<u>9999</u> MCF <u>99999</u>
62700	POOL NO. 2	<u>Wantz Abo</u>	<u>187</u>	<u>1122</u> MCF <u>6000</u>
62730	POOL NO. 3	<u>Wantz Granite Wash</u>	<u>187</u>	<u>374</u> MCF <u>2000</u>
	POOL NO. 4			MCF
	POOL TOTALS		<u>374</u>	<u>1496</u>

	SECTION II:			
	POOL NO. 1	<u>Tubb Oil & Gas (Pro Gas)</u>	<u>49%</u>	<u>374 = 183.26</u> <u>89%</u>
	POOL NO. 2	<u>Wantz Abo</u>	<u>11%</u>	<u>9%</u>
	POOL NO. 3	<u>Wantz Granite Wash</u>	<u>40%</u>	<u>2%</u>
	POOL NO. 4			

	<u>OIL</u>	<u>GAS</u>
SECTION III:		
<u>184 ÷ 49% = 375.51 (376)</u>		
SECTION IV:		
<u>376 × 49% = 184.24 (184)</u>		
<u>376 × 11% = 41.36 (41)</u>		
<u>376 × 40% = 150.40 (151)</u>		

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-25481
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Mark Owen
8. Well Number 8
9. OGRID Number 14021
10. Pool name or Wildcat Tubb / Wantz GW/ Wanta Abo

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
GL 3373'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: **Change DHC Percentages** ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

R-11363

HOB **Marathon Oil is requesting a change to the production percentages assigned to downhole commingle permit - DHC Order NO. 0074. The original percentages submitted for this well were wrong. Please see attached worksheet with new percentages. Well tests supporting the percentages are also attached to this report. The error on the percentages were found when well tests for the Tubb (86440) gas pool were found to be out of range for the gas oil ratio. Oil volumes continue to decline and gas rates rise as the well is being pumped back down after shut in of the Wantz Granite Wash and Wantz Abo for testing of the initial completion on the Tubb.**

DHC Order No. HOB-0074A

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE **Charles E. Kendrick** TITLE **Engineering Technician** DATE **02/08/2005**

Type or print name **Charles E. Kendrick**

E-mail address: **cekendrix@marathonoil.com**

Telephone No. **713-296-2096**

For State Use Only

APPROVED BY **[Signature]**
Conditions of Approval, if any:

TITLE _____ DATE _____

PETROLEUM ENGINEER

MAR 07 2005

Mark Owen No. 8 Downhole Commingle Worksheet.

Percentages are based on last six tests for the DHC well in the Wantz Granite Wash & Wantz Abo; the last five tests for the Tubb only completion. Average Daily Volumes for the downhole commingled Wantz Granite Wash & Wantz Abo were determined using the DHC percentages assigned to those two pools from the original DHC permit. Those percentages are listed in the table at the bottom of this page. Oil volumes were continuing to decline and gas volume rising through February 2005.

	Avg. Daily Oil	Oil Percentage	Avg. Daily Gas	Gas Percentage	Avg. Daily Water	Water Percentage
Tubb (86440)	5.40	49%	625	89%	6.60	83%
Wantz Granite Wash	4.35	40%	14	2%	1.03	13%
Wantz Abo	1.23	11%	65	9%	0.30	4%
Total Daily Oil	10.98		704		7.93	

Original DHC Percentages			
	Oil	Gas	Water
Wantz Granite Wash	78%	18%	78%
Wantz Abo	22%	82%	22%

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State of New Mexico
Energy, Minerals & Natural Resources

Form C-102
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-25481	² Pool Code 86440	³ Pool Name Tubb Oil & Gas (Pro Gas)
⁴ Property Code 006454	⁵ Property Name Mark Owen	⁶ Well Number 8
⁷ OGRID No. 14021	⁸ Operator Name Marathon Oil Company	⁹ Elevation 3373'

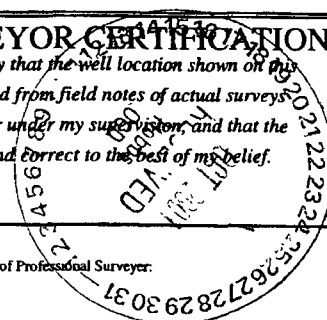
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	35	21-S	37-E		760'	South	760'	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160	¹³ Joint or Infill Y	¹⁴ Consolidation Code	¹⁵ Order No. SD-04-09						

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

¹⁶				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Charles E. Kendrick</i> Signature Charles E. Kendrick Printed Name Engineering Technician cel Kendrick@MarathonOil.com Title and E-mail Address 10/18/2004 Date
				¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyer:  Certificate Number
#1				
#8				
#3				

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State of New Mexico
Energy, Minerals & Natural Resources

Form C-102
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-25481		² Pool Code 62700	³ Pool Name Wantz Abo
⁴ Property Code 006454	⁵ Property Name Mark Owen		⁶ Well Number 8
⁷ OGRID No. 14021	⁸ Operator Name Marathon Oil Company		⁹ Elevation 3373

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	35	21S	37E		760	South	760	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Charles E. Kendrick Printed Name Engineering Technician cekendrix@marathonoil.com Title and E-mail Address 03/08/2005 Date	
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor	
	Certificate Number	

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102
Supersedes L-128
Effective 1-1-65

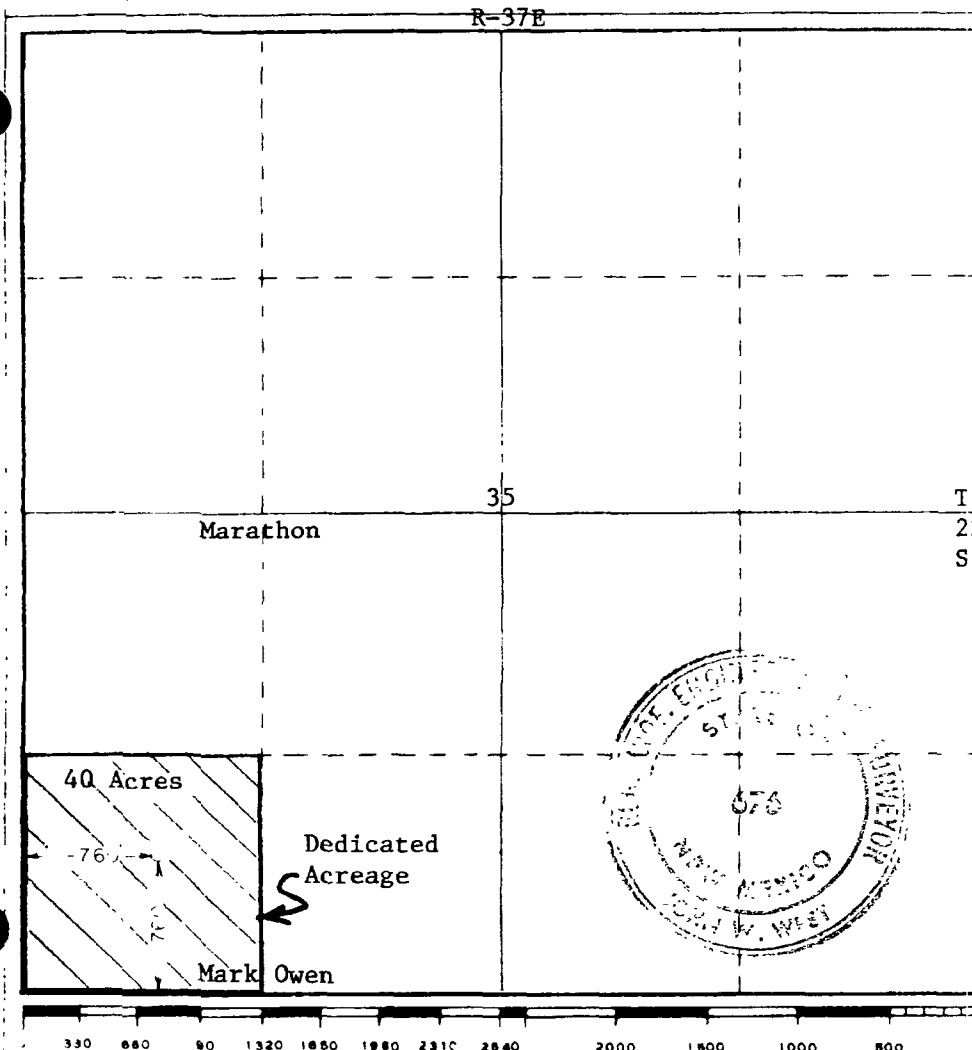
All distances must be from the outer boundaries of the Section

Operator MARATHON OIL COMPANY		Lease MARK OWEN		Well No. 8
Section M	Section 35	Township 21 South	Range 37 East	County Lea
Actual Location of Well: 760 feet from the South line and 760 feet from the West line				
Ground Level Elev. 3385.0	Producing Formation Granite Wash	Pool Wantz Granite Wash	Section Acreage 40	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty)
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (list reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

William D. Holmes

William D. Holmes

Petroleum Engineer

Marathon Oil Company

March 11, 1977

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

March 8, 1977

Registered Professional Engineer
and State Surveyor

John W. West

Certificate No.

676

District I
1625 N. French Dr., Hobbs, NM 88240
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1301 W Grand Avenue, Artesia, NM 88210
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State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator name and Address Marathon Oil Company P.O. Box 3487 Houston, Texas 77253-3487		2 OGRID Number 14021
4 API Number 30-0 25-25481		3 Reason for Filing Code/Effective Date DHC 11/24/2004
5 Pool Name Tubb Oil & Gas (ProGas)	6 Pool Code 86440	
7 Property Code 006454	8 Property Name Mark Owen	9 Well Number 8

II. Surface Location

UL or lot no. M	Section 35	Township 21-S	Range 37-E	Lot. Idn	Feet from the 760'	North/South Line South	Feet from the 760'	East/West line West	County Lea
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Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
12 Lse Code P	13 Producing Method Code Pumping	14 Gas Connection Date 05/30/2004	15 C-129 Permit Number	16 C-129 Effective Date	17 C-129 Expiration Date				

III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 POD	21 O/G	22 POD ULSTR Location and Description
35246	Shell Trading US P.O. Box 4604 Houston, Texas 77252-4604	1242310	O	UL "L", Sec 35, T-21-S, R-37-E Mark Owen Battery Oil Tanks
20809	Sid Richardson Energy Services 201 Main Street Suite 3000 Fort Worth, Texas 76102	1242430	G	UL "L", Sec 35, T-21-S, R-37-E Sid R. meter & Mark Owen Battery

IV. Produced Water

23 POD 1242350	24 POD ULSTR Location and Description UL "L", Sec 35, T-21-S, R-37-E Mark Owen Battery Water Tank
--------------------------	---

V. Well Completion Data

25 Spud Date 04/13/1977	26 Ready Date 11/24/2004	27 TD 7506'	28 PBD 7451	29 Perforations 5884'-6164'	30 DHC, MC DHC 10B 74
31 Hole Size 12 1/4"	32 Casing & Tubing Size 9 5/8"	33 Depth Set 1250'	34 Sacks Cement 650 circ to surface		
8 3/4"	7"	7700'	2450 circ to surface		

VI. Well Test Data

35 Date New Oil 11/24/2004	36 Gas Delivery Date 11/24/2004	37 Test Date 02/08/2005	38 Test Length 24	39 Tbg. Pressure 26	40 Csg. Pressure 26
41 Choke Size N/A	42 Oil 7.8	43 Water 15.1	44 Gas 471	45 AOF 182	46 Test Method Pumping

47 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: **Charles E. Kendrick**

Print name:
Charles E. Kendrick

Title:
Engineering Technician

Email:
cekendrix@marathonoil.com

Date:
02/22/2005

Phone:
713-296-2096

Approved by:

Title:
ORIGINAL SIGNED BY
PAUL MABATZ
PETROLEUM ENGINEER

Approval Date:

MAR 07 2005

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
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Rio Brazos Rd., Aztec, NM 87410
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State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator name and Address Marathon Oil Company P.O. Box 3487 Houston, Texas 77253-3487		2 OGRID Number 14021
4 API Number 30-0 25-25481		3 Reason for Filing Code/Effective Date DHC 11/24/2004
5 Pool Name Wantz Abo	6 Pool Code 62700	
7 Property Code 006454	8 Property Name Mark Owen	9 Well Number 8

II. Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
M	35	21-S	37-E		760'	South	760'	West	Lea

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
12 Lse Code P	13 Producing Method Code Pumping	14 Gas Connection Date 05/30/2004	15 C-129 Permit Number	16 C-129 Effective Date	17 C-129 Expiration Date				

III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 POD	21 O/G	22 POD ULSTR Location and Description
35246	Shell Trading US P.O. Box 4604 Houston, Texas 77252-4604	1242310	O	UL "L", Sec 35, T-21-S, R-37-E Mark Owen Battery Oil Tanks
20809	Sid Richardson Energy Services 201 Main Street Suite 3000 Fort Worth, Texas 76102	1242430	G	UL "L", Sec 35, T-21-S, R-37-E Sid R. meter @ Mark Owen Battery

IV. Produced Water

23 POD 1242350	24 POD ULSTR Location and Description UL "L", Sec 35, T-21-S, R-37-E Mark Owen Battery Water Tank
--------------------------	---

V. Well Completion Data

25 Spud Date 04/13/1977	26 Ready Date 11/24/2004	27 TD 7506'	28 PBD 7451	29 Perforations 5884'-6164'	30 DHC, MC DHC HOB 74
31 Hole Size 12 1/4"	32 Casing & Tubing Size 9 5/8"	33 Depth Set 1250'	34 Sacks Cement 650 circ to surface		
8 3/4"	7"	7700'	2450 circ to surface		

VI. Well Test Data

35 Date New Oil 11/24/2004	36 Gas Delivery Date 11/24/2004	37 Test Date 02/08/2005	38 Test Length 24	39 Tbg. Pressure 26	40 Csg. Pressure 26
41 Choke Size N/A	42 Oil 1.7/15.9	43 Water 7.18.2	44 Gas 47.529	45 AOF	46 Test Method Pumping

47 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief

Signature: **Charles E. Kendrick**

Printed name:
Charles E. Kendrick

Engineering Technician

Email:
cekendrix@marathonoil.com

Date:
02/22/2005

Phone:
713-296-2096

Approved by:

Title:

Approval Date:

OIL CONSERVATION DIVISION

ORIGINAL
PAUL F. KAGIZ
PETROLEUM ENGINEER

MAR 07 2005

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5 Pool Name Wantz Granite Wash	6 Pool Code 62730	
7 Property Code 006454	8 Property Name Mark Owen	9 Well Number 8

II. Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
M	35	21-S	37-E		760'	South	760'	West	Lea

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
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20809	Sid Richardson Energy Services 201 Main Street Suite 3000 Fort Worth, Texas 76102	1242430	G	UL "L", Sec 35, T-21-S, R-37-E Sid R. meter @ Mark Owen Battery

IV. Produced Water

23 POD	24 POD ULSTR Location and Description
1242350	UL "L", Sec 35, T-21-S, R-37-E Mark Owen Battery Water Tank

V. Well Completion Data

25 Spud Date	26 Ready Date	27 TD	28 PBDT	29 Perforations	30 DHC, MC
04/13/1977	11/24/2004	7506'	7451	5884'-6164'	DHC HOB 74
31 Hole Size	32 Casing & Tubing Size	33 Depth Set	34 Sacks Cement		
12 1/4"	9 5/8"	1250'	650 circ to surface		
8 3/4"	7"	7700'	2450 circ to surface		

VI. Well Test Data **Tubb (60385) GOR 33270**

35 Date New Oil	36 Gas Delivery Date	37 Test Date	38 Test Length	39 Tbg. Pressure	40 Csg. Pressure
11/24/2004	11/24/2004	02/08/2005	24	26	26
41 Choke Size	42 Oil	43 Water	44 Gas	45 AOF	46 Test Method
N/A	6.4 15.9	2.4 18.2	11 52.8		Pumping

47 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: **Charles E. Kendrick**

Print name: **Charles E. Kendrick**
Title: **Engineering Technician**
Email: **cekendrix@marathonoil.com**

Date: **02/22/2005**
Phone: **713-296-2096**

Approved by:

Title:

Approval Date:

OIL CONSERVATION DIVISION

ORIGINAL SIGNED BY
PAUL F. KAUTZ
PETROLEUM ENGINEER

MAR 07 2005