

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.

5. Lease Serial No.
NMLC 029388 A

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

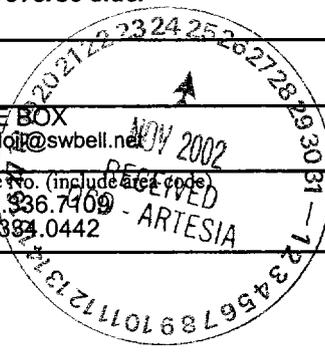
1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
HUDSON OIL COMPANY OF TEXAS ✓ Contact: SUZANNE BOX
E-Mail: hudson@swbell.net

3a. Address
616 TEXAS STREET
FORT WORTH, TX 76102

3b. Phone No. (include area code)
Ph: 817.336.7400
Fx: 817.334.0442

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 10 T18S R31E SENE 2310FNL 660FEL
U.T.H



8. Well Name and No.
SHUGART A 6

9. API Well No.
30-015-26438

10. Field and Pool, or Exploratory
SHUGART GRAYBURG

11. County or Parish, and State
EDDY COUNTY, 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 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 site is ready for final inspection.)

Set CIBP @ 7980' w/ 25' of cem on top, circ 5 1/2" csg from top of cement to 4300' w/ 9.5# brinewater gel Pump 130 bbls of 2% KCL & circ to surface

Set CIBP @ 4300' w/ 25' of cem on top Perf Grayburg Formation 3966-70', 3973-76' 2 spf w/ 120 deg phasing 4106-16' 2spf w/ 120 deg phasing 4022-28' 1spf w/ 120 deg phasing All shots fired Acidize perfs w/ 3500 gals 15% HCL acid Frac perfs from 3966-4116' w/ 37,737 gals HMP Gel, carrying 135,340# of 20/40 Brady Sand

IPP 32 BO, 126 BW, 12 MCFGPD-venting gas for now

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

Electronic Submission #16088 verified by the BLM Well Information System
For HUDSON OIL COMPANY OF TEXAS, sent to the Carlsbad
Committed to AFMSS for processing by Linda Askwig on 11/18/2002 ()

Name (Printed/Typed) E. RANDALL HUDSON III	Title GEOLOGIST
Signature (Electronic Submission)	Date 11/15/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED

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.

Title <u>LES BABYAK</u> <u>PETROLEUM ENGINEER</u>	Date <u>11/19/02</u>
Office <u>CARLSBAD</u>	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person States any false, fictitious or fraudulent statements or representations as to any matter within

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL**

CORRECTED COPY

HUDSON OIL COMPANY OF TEXAS IS CORRECT

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1040 Rio Branca Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

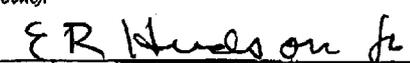
¹ API Number 30-015-26438-00-S1		² Pool Code 56439	³ Pool Name Shugart Yates 7 RS-QU-GB
⁴ Property Code 5315	⁵ Property Name Shugart A		⁶ Well Number 6
⁷ OGRID No. 025111	⁸ Operator Name Hudson Oil Company of Texas		⁹ Elevation 3733'

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
H	10	18	31		2310'	N	660'	E	Eddy

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.
-------------------------------------	-------------------------------	----------------------------------	-------------------------

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				A 6	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Edward R. Hudson, Jr. Printed Name Chairman of Board Title 12-4-02 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

SP

Midland
1625 N. Frenoh Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Bravos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Reformatted July 20, 2001

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

Operator name and Address Hudson Oil Company of Texas 616 Texas Street Fort Worth, TX 76102		OGRID Number 025111
API Number 30-015-26438-00-S1 Shugart Yates 7 RS-QU-GB		Reason for Filing Code/ Effective Date RC
Pool Name Shugart A	Pool Code 56439	Well Number 6
Property Code 5315	Property Name Shugart A	

II. Surface Location

UL or lot no.	Section	Township	Range	Lat. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
H	10	18	31		2310'	N	660'	E	Eddy

Bottom Hole Location

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

12 Loc Code	13 Producing Method Code	14 Gas Connection Date	15 C-129 Permit Number	16 C-129 Effective Date	17 C-129 Expiration Date
E	P				

III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 POD	21 O/G	22 POD ULSTR Location and Description
009171	Duke Energy P. O. Box 50020 Midland, TX	1102430	G	Sec 10 T18S R31E 1102430
015694	Navajo Refining P. O. Box 159 Artesia, NM 88211	1102410	O	Sec 10 T18S R31E 1102410

IV. Produced Water

23 POD	24 POD ULSTR Location and Description
1102450	SW/4 NE/4 Sec 11 T18 R31E NMOCD Permit #R9555

V. Well Completion Data

25 Spud Date	26 Ready Date	27 TD	28 PSTD	29 Perforations	30 DHC, MC
	11-15-02	8700		3966-4116	
31 Hole Size	32 Casing & Tubing Size	33 Depth Set	34 Sacks Cement		
17 1/2	13 3/8	756'	447 (C), CIRC		
11"	8 5/8	2335'	674 (C), CIRC		
7 7/8	5 1/2	8700'	1370 (H) Est TOC @ 500		

VI. Well Test Data

35 Date New Oil	36 Gas Delivery Date	37 Test Date	38 Test Length	39 Tbg. Pressure	40 Csg. Pressure
	12-4-02				
41 Choke Size	42 Oil	43 Water	44 Gas	45 AOP	46 Test Method
	32	126	12		

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: *E.R. Hudson, Jr.*

Printed name: Edward R. Hudson, Jr.

Title: Chairman of Board

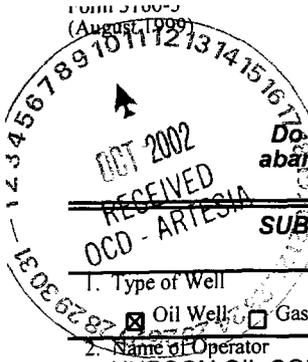
Date: 12-4-02 Phone: 817 336-7109

OIL CONSERVATION DIVISION

Approved by: *Jim W. Green*

Title: District Supervisor

Approval Date: DEC 09 2002



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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC 029388 A
2. Name of Operator HUDSON OIL COMPANY OF TEXAS		6. If Indian, Allottee or Tribe Name
3a. Address 616 TEXAS STREET FORT WORTH, TX 76102		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 817.336.7109 Fx: 817.334.0442		8. Well Name and No. SHUGART A 6
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T18S R31E SENE 2310FNL 660FEL		9. API Well No. 30-015-26438
		10. Field and Pool, or Exploratory SHUGART GRAYBURG
		11. County or Parish, and State EDDY COUNTY, 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"/> Water Shut-Off
<input 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 recompleat 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 recompleat 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 site is ready for final inspection.)

Originally drilled 8/90 by Marathon Oil Co. as the Stetco "10" Federal #2 to a TD of 8700' w/ 13 3/8" casing set at 756', cemented w/447 sx, circ. cement to surface. 8 5/8" casing set at 2335', cemented w/674 sx, circ. cement to surface. 5 1/2" casing set at 8700', cemented w/1370 sx, est TOC 500' Perforated: 8020-8042' and 8050-8100' in the Bone Spring Formation.

It is proposed to set a CIBP @ 7980' w/ 25' of cement on top, circ 5 1/2" casing from top of cement to 4300' w/ 9.5# brinewater gel, then 2% KCL water to surface and test casing as per BLM requirements. Set CIBP at 4300' w/ 25' cement on top. Perforate Grayburg formation from 3966-70', 3973-76', 4022-28' and 4106-16'. Acidize perms w/ 3500 gals of 15% HCL acid. Swab and evaluate. Frac w/ 50,000 gals cross link gel carrying 100,000# of 20/40 Brady Sand.



Corrected Copy

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

Electronic Submission #13599 verified by the BLM Well Information System For HUDSON OIL COMPANY OF TEXAS, sent to the Carlsbad Committed to AFMSS for processing by Armando Lopez on 08/26/2002 ()

Name (Printed/Typed) E. RANDALL HUDSON III	Title GEOLOGIST
Signature (Electronic Submission)	Date 08/21/2002

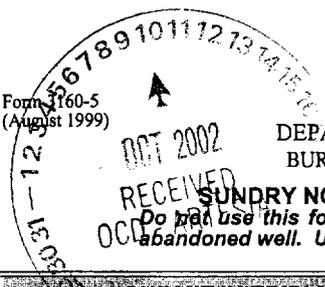
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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, make 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.

SF

Form 3160-5
(August 1999)



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
B No. 1004-0135
Expires November 30, 2000

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
 Oil Well Gas Well Other

2. Name of Operator
Hudson Oil Company of Texas ✓

3a. Address
616 Texas Street

3b. Phone No. (include area code)
817-336-7109

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit H, Section 10, T-18-S R-31-E
2310 N - 660E

5. Lease Serial No.
LC-029388-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Shugart A-6

9. API Well No.
30-015-26438

10. Field and Pool, or Exploratory Area
Tamano Bone Spring

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

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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Change of Operator</u>
	<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 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 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 site is ready for final inspection.)

Change Operator Name

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

E. Randall Hudson III

Title Geologist

Signature

Date 9/19/2001

APPROVED THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD) DAVID R. GLASS
OCT 8 2002

Title

Date

Conditions of approval are attached. Approval of this notice does not warrant or certify that the applicant holds legal or 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, make 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.

DAVID R. GLASS
PETROLEUM ENGINEER

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Operator Name: Hudson Oil Company of Texas
Street: 616 Texas Street
City, State: Fort Worth, Texas
Zip Code: 76102

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NMLC 029388-A

Legal Description of Land: T18S R31E
Section 10 SE/4 NE/4
Eddy County, New Mexico

Bond Coverage: Statewide

BLM Bond File No.: NM 1055

Authorized Signature: _____



E. Randall Hudson III

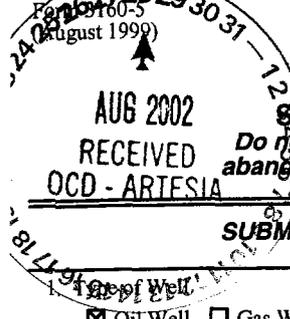
Title: Vice President

Date: July 25, 2001

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

51



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.

Oil Cons.

N.M. DIV-Dist. 2

1804 W. Grand Avenue

Artesia, NM 88210

Lease Serial No. NMLC029388A
Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
SHUGART A 6

Oil Well Gas Well Other

9. API Well No.
30-015-26438-00-S1

2. Name of Operator HUDSON WILLIAM A & EDWARD R / Contact: SUZANNE BOX
E-Mail: hudoil@swbell.net

3a. Address
616 TEXAS STREET
FORT WORTH, TX 76102-4612

3b. Phone No. (include area code)
Ph: 817.336.7109
Fx: 817.334.0442

10. Field and Pool, or Exploratory
TAMANO

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 10 T18S R31E SENE Tract 1 2310FNL 660FEL

11. County or Parish, and State
EDDY COUNTY, 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"/> Water Shut-Off
<input 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 site is ready for final inspection.)

Originally drilled 8/90 by Marathon Oil Co. as the Stetco "10" Federal #2 to a TD of 8700' w/ 13 3/8" casing set at 756', cemented w/447 sx, circ. cement to surface. 8 5/8" casing set at 2335', cemented w/674 sx, circ. cement to surface. 5 1/2" casing set at 8700', cemented w/1370 sx, est TOC 500' Perforated: 8020-8042' and 8050-8100' in the Bone Spring Formation.

It is proposed to set a CIBP @ 7980' w/ 25' of cement on top, circ 5 1/2" casing from top of cement to 4300' w/ 9.5# brinewater gel, then 2% KCL water to surface and test casing as per BLM requirements.
Set CIBP at 4300' w/ 25' cement on top. Perforate Grayburg formation from 3966-70', 3973-76', 4022-28' and 4106-16'. Acidize perms w/ 3500 gals of 15% HCL acid. Swab and evaluate. Frac w/ 50,000 gals cross link gel carrying 100,000# of 20/40 Brady Sand.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #13599 verified by the BLM Well Information System
For HUDSON WILLIAM A & EDWARD R, sent to the Carlsbad
Committed to AFMSS for processing by Armando Lopez on 08/26/2002 (02AL0119SE)

Name (Printed/Typed) E. RANDALL HUDSON III Title VICE PRESIDENT

Signature (Electronic Submission) Date 08/21/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LES BABYAK Title PETROLEUM ENGINEER Date 08/26/2002

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 Carlsbad

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

**** REVISED ** REVISED ****

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OIL CONS.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

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

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
 Oil Well Gas Well Other

2. Name of Operator
 Hudson Oil Company of Texas

3a. Address
 616 Texas Street

3b. Phone No. (include area code)
 817-336-7109

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 Unit H, Section 10, T-18-S R-31-E

5. Lease Serial No.
 LC-029388-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
 Shugart A-6

9. API Well No.
 30-015-26438

10. Field and Pool, or Exploratory Area
 Tamano Bone Spring

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

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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input 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 type="checkbox"/> Other	<u>Change Well Name</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 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 site is ready for final inspection.)

OLD NAME: TAMANO (BSSC) UNIT #102

ACCEPTED FOR RECORD
 NOV - 5 2001
 GARY GOURLEY
 PETROLEUM ENGINEER

RECEIVED
 OCD - ARTESIA

Change Well Name

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

Name (Printed/Typed)
 E. Randall Hudson III

Title
 Geologist

Signature

Date
 9/19/2001

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, make 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.

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Operator Name: Hudson Oil Company of Texas
Street: 616 Texas Street
City, State: Fort Worth, Texas
Zip Code: 76102

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NMLC 029388-A

Legal Description of Land: T18S R31E
Section 10 SE/4 NE/4
Eddy County, New Mexico

Bond Coverage: Statewide

BLM Bond File No.: NM 1055

Authorized Signature: _____


E. Randall Hudson III

Title: Vice President

Date: July 25, 2001

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-104A
March 19, 2001

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit 1 copy of the final affected wells
list along with 1 copy of this form per
number of wells on that list to appropriate
District Office

Change of Operator

Previous Operator Information:

OGRID: 002936
Name: Brothers Production Company
Address: P.O. Box 7515
Address: _____
City, State, Zip: Midland, TX 79705

New Operator Information:

Effective Date: July 1, 2001
New Ogrid: 25111
New Name: Hudson Oil Company of Texas
Address: 616 Texas Street
Address: _____
City, State, Zip: Fort Worth, TX 76102

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the attached list of wells is true and complete to the best of my knowledge and belief.

New Operator
Signature: *E. Randall Hudson III*

Printed name: E. Randall Hudson III

Title: Vice President

Date: August 15, 2001 Phone: 817-336-7109



Previous operator complete below:

Previous
Operator: BROTHERS PRODUCTION COMPANY, INC.
Previous
OGRID: 002936
Signature: *Kyle A. McGraw*
Printed
Name: KYLE A. MCGRAW

NMOCD Approval	
Signature:	<u><i>Jim W. Beem</i></u>
Printed Name:	<u>District Supervisor</u>
District:	_____
Date:	<u>AUG 24 2001</u>

28764 - NEW PROPERTY CODE

District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised March 25, 1999

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
5 Copies

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

AMENDED REPORT

District IV
2040 South Pacheco, Santa Fe, NM 87505

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Brothers Production Company, Inc. P.O. Box 7515 Midland, TX 79708		² OGRID Number 002936
		³ Reason for Filing Code CH 11-1-99
⁴ API Number 30 - 015-26438	⁵ Pool Name TAMANO BONE SPRINGS	⁶ Pool Code 58040
⁷ Property Code 6477 25164	⁸ Property Name TAMANO (BSSC) UNIT	⁹ Well Number 102

II. 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
H	10	18S	31E		2310	N	660	E	EDDY

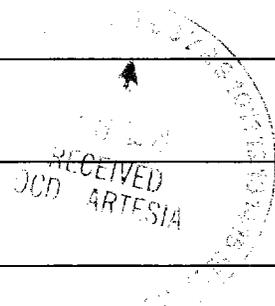
¹¹ Bottom Hole Location

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 FED	¹³ Producing Method Code P	¹⁴ Gas Connection Date	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
734	Amoco Pipeline Company 200 North Loraine, Suite 1222 Midland, TX 79701	1248010	O	
5097	Conoco, Inc. 10 Desta Drive, Suite 639 W Midland, TX 79705	1248030	G	



IV. Produced Water

²³ POD 1248050	²⁴ POD ULSTR Location and Description
------------------------------	--

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBTD	²⁹ Perforations	³⁰ DHC, MC

³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure

⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method
--------------------------	-------------------	---------------------	-------------------	-------------------	---------------------------

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: *Kyle A. McGraw*

Printed name: Kyle A. McGraw

Title: Vice President

Date: 10/29/99

Phone: 915-682-2516

OIL CONSERVATION DIVISION

Approved by: *Jim W. Burns*

Title: *District Supervisor*

Approval Date: *11/1/99*

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

14021 Marathon Oil Company

Previous Operator Signature

Donna Spears

Printed Name

Donna Spears

Title

Regulatory Analyst

Date

11-1-99

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 S. 1st Street, Artesia, NM 88210-2834
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-104
 Revised February 10, 1994
 Instructions on back
 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 2409 Hobbs, NM 88240		² OGRID Number 14021
⁴ API Number 30-015-26438		³ Reason for Filing Code AG-ASSIGN POD
⁵ Pool Name TAMANO/BONE SPRINGS	⁶ Pool Code 58040	
⁷ Property Code 6477	⁸ Property Name TAMANO (BSSC) UNIT	⁹ Well Number 102

II. 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
H	10	18-S	31-E		2310'	NORTH	660'	EAST	EDDY

¹¹ 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 F	¹³ Producing Method Code P	¹⁴ Gas Connection Date 12-1-94		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
018053	SCURLOCK PERMIAN CORP. 3514 LOVINGTON HWY. HOBBS, NEW MEXICO 88240	1248010	O	RECEIVED NOV 21 1995 OIL CON. DIV. DIST. 2
005097	CONOCO, INC. P.O. BOX 90 MALJAMAR, NM 88264	1248030	G	

IV. Produced Water

²³ POD 1248050	²⁴ POD ULSTR Location and Description
------------------------------	--

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBTD	²⁹ Perforations
³⁰ Hole Sie	³¹ Casing & Tubing Size	³² Depth Set	³³ Sacks Cement	

VI. Well Test Data

³⁴ Date New Oil	³⁵ Gas Delivery Date	³⁶ Test Date	³⁷ Test Length	³⁸ Tbg. Pressure	³⁹ Csg. Pressure
⁴⁰ Choke Size	⁴¹ Oil	⁴² Water	⁴³ Gas	⁴⁴ AOF	⁴⁵ Test Method

⁴⁶ 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.		OIL CONSERVATION DIVISION	
Signature: <i>Ralph Skinner, Jr.</i>		Approved by: <i>Tom W. Geun</i>	
Printed name: RALPH SKINNER, JR.		Title: <i>District Supervisor</i>	
Title: ENGINEER TECHNICIAN		Approval Date: <i>Tom W. Geun</i> NOV 27 1995	
Date: 11-17-95	Phone: 505/393-7106		

⁴⁷ If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See instructions
at Bottom of Page

DISTRICT II
P.O. Drawer 000, Artesia, NM 88210

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

RECEIVED

FEB 11 1992

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

O. C. D.
ARTESIA OFFICE

I.

Operator Marathon Oil Company	Well API No. 30-015-26438
Address P. O. Box 552, Midland, TX 79702	
Reason(s) for Filing (Check proper box) New Well <input type="checkbox"/> Recompletion <input type="checkbox"/> Change in Operator <input type="checkbox"/>	<input checked="" type="checkbox"/> Other (Please explain) Name change from Stetco "10" Federal No. 2 to the Tamano (BSSC) Unit No. 102 (lease was included in unit on 1/1/92)
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Tamano (BSSC) Unit	Well No. 102	Pool Name, including Formation Tamano (Bone Spring)	Kind of Lease State, Federal or Fee	Lease No. NMNM-85311
Location Unit Letter <u>H</u> : <u>2310</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>10</u> Township <u>18-S</u> Range <u>31-E</u> , <u>NMPM</u> , <u>Eddy</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil Pride Pipeline, Inc. <input checked="" type="checkbox"/>	or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P. O. Box 2436, Abilene, TX 79604				
Name of Authorized Transporter of Casinghead Gas Conoco, Inc. <input checked="" type="checkbox"/>	or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P. O. Box 90, Maljamar, NM 88264				
If well produces oil or liquids, give location of tanks.	Unit K	Sec. 11	Twp. 18-S	Rge. 31-E	Is gas actually connected? Yes	When? 1/1/92

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed 100 allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas- MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

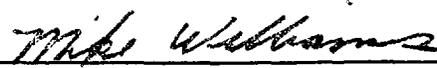
VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations 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
Rick Gaddis, Production Engineer
Printed Name
Date 2/7/92
Title
Telephone No. 912/682-1626

OIL CONSERVATION DIVISION

Date Approved FEB 17 1992
By 
Title SUPERVISOR, DISTRICT II

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.

Submit 5 Copies
 Appropriate District Office
 DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210
 DISTRICT III
 600 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
 Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

Form C-104
 Revised 1-1-89
 See Instructions
 at Bottom of Page
RECEIVED
AUG 08 1991
 O. C. D.
 ARTESIA, OFFICE

**REQUEST FOR ALLOWABLE AND AUTHORIZATION
 TO TRANSPORT OIL AND NATURAL GAS**

Operator Marathon Oil Company	Well API No. 30-015-26438
Address P. O. Box 552, Midland, Texas 79702	
Reason(s) for Filing (Check proper box) <input checked="" type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of: Initial gas connection
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Stetco "10" Federal	Well No. 2	Pool Name, Including Formation Tamano (Bone Spring)	Kind of Lease State, Federal or Fee	Lease No. LC-029388-A
Location Unit Letter <u>H</u> : <u>2310</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>10</u> Township <u>18-S</u> Range <u>31-E</u> , NMPM, <u>Eddy</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Pride Pipeline Company	P. O. Box 2436, Abilene, TX 79604
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Conoco Inc.	P. O. Box 90, Maljamar, NM 88264
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When ?
	H 10 18 31 Yes 1-91

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas- MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations 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.

Carl A. Bagwell
 Signature
 Carl A. Bagwell Engineering Technician
 Printed Name Title
 8-6-91 (915) 682-1626
 Date Telephone No.

OIL CONSERVATION DIVISION
 Date Approved AUG 14 1991
 By M. Williams
 Title SUPERVISOR, DISTRICT II

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104
 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
 2) All sections of this form must be filled out for allowable on new and recompleted wells.
 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

51

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	RECEIVED	5. Lease Designation and Serial No. LC-029388-A
2. Name of Operator Marathon Oil Company	JAN 30 1991	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P. O. Box 552, Midland, Texas 79702	O. C. D. ARTESIA OFFICE	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310' FNL & 660' FEL Sec. 10, T-18-S, R-31-E		8. Well Name and No. Stetco "10" Fed No. 2
		9. API Well No. 30-015-26438
		10. Field and Pool, or Exploratory Area Tamano (Bone Spring)
		11. County or Parish, State Eddy County, New Mexico

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 <u>Initial Completion</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 initiated initial completion operations on the above referenced well on September 26, 1990. Following is the procedure:

1. MIRU pulling unit. NU BOP's.
2. DO cement to 8617' PBTD. Tested csg & DV tool to 1000 psig. Held OK.
3. Ran GR-CBL-CCL from 8617'-2400'. Good bond across zone of interest.
4. Perf'd Second Bone Spring Carbonate from 8020'-8042' & 8050'-8100' w/2 JSPF (total 146 holes).
5. Tested workstring to 5000 psig. Held OK.
6. Acidized Second Bone Spring Carbonate from 8020'-8042' & 8050'-8100' with 6000 gals 20% HCl.
7. Swabbed well.
8. Ran injection survey.
9. Acid fractured Second Bone Spring Carbonate from 8020'-8042' & 8050'-8100' with 31,080 gals 20% HCl & 18,942 gals 2% KCl (gelled & x-linked).
10. Swabbed well.

(See Attachment I)

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

Signed J. R. Jenkins Title Hobbs Production Superintendent Date 11-14-91

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
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.

*See instruction on Reverse Side

ATTACHMENT I

Item 13 continued
Completion Procedure

11. POOH w/workstring.
12. RIH w/2 3/8" production tbq & landed @ 8276'.
13. ND BOP's. NU wellhead.
14. Ran rods & pump.
15. Place well on test to frac tank.

Submit 5 Copies
Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

JAN 16 '91

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

O. G. D.
ARTESIA, OFFICE

I.

Operator Marathon Oil Company ✓	Well API No. 30-015-26438
Address P. O. Box 552, Midland, Texas 79702	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	CASINGHEAD GAS MUST NOT BE FLARED AFTER <u>3/18/91</u> UNLESS AN EXCEPTION FROM THE D. L. M. IS OBTAINED
Recompletion <input type="checkbox"/>	
Change in Operator <input type="checkbox"/>	
Change in Transporter of: Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>	
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Stetco "10" Federal	Well No. 2	Pool Name, including Formation Tamano (Bone Spring)	Kind of Lease State, Federal or Fee	Lease No. LC-029388-A
Location Unit Letter <u>H</u> : <u>2310</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>10</u> Township <u>18-S</u> Range <u>31-E</u> , NMPM, <u>Eddy</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)			
Pride Pipeline Company	P. O. Box 2436, Abilene, TX 79604			
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)			
Conoco Inc.	P. O. Box 90, Maljamar, NM 88264			
If well produces oil or liquids, give location of tanks.	Unit <u>H</u>	Sec. <u>10</u>	Twp. <u>18</u>	Rge. <u>31</u>
	Is gas actually connected?		When?	
	No			

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>					
Date Spudded 8-26-90	Date Compl. Ready to Prod. 9-29-90		Total Depth 8700'		P.B.T.D. 8617'			
Elevations (DF, RKB, RT, GR, etc.) 3733' GL	Name of Producing Formation Bone Spring		Top Oil/Gas Pay 8020'		Tubing Depth 8276'			
Perforations Second Bone Spring Carbonate 8020'-8042'; 8050'-8100'					Depth Casing Shoe 8700'			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
17 1/2"	13 3/8"		756'		447 sx "C"; circ			
11"	8 5/8"		2335'		674 sx "C"; circ			
7 7/8"	5 1/2"		8700'		1370 sx "H"; est TOC @ 500'			
--	2 3/8"		8276'		--			

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank 10-2-90	Date of Test 1-10-90	Producing Method (Flow, pump, gas lift, etc.) Pumping	
Length of Test 24 hrs	Tubing Pressure --	Casing Pressure 50 psig	Choke Size --
Actual Prod. During Test	Oil - Bbls. 10	Water - Bbls. 7	Gas- MCF 16

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations 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
J. R. Jenkins, Hobbs Production Sup't.
Printed Name Title
1-14-91 (915) 682-1626
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved JAN 17 1991

By MA Walker

Title SUPERVISOR, DISTRICT II

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(See other instructions on reverse side)

Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

3. TRAP DESIGNATION AND SERIAL
LC-029388-A

6. IF INDIAN ALLOTTEE OR TRIBE NAT

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Stetco "10" Federal

9. WELL NO.
2

10. FIELD AND POOL, OR WILDCAT
Tamano (Bone Spring)

11. SEC., T., R., M., OR BLOCK AND SURVY OR AREA
Sec. 10, T-18-S, R-31

12. COUNTY OR PARISH
Eddy

13. STATE
NM

1A. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

1. TYPE OF COMPLETION:
NEW WELL WORK OVER REPAIR REPERFORATE OTHER **10 09**

2. NAME OF OPERATOR
Marathon Oil Company

3. ADDRESS OF OPERATOR
P. O. Box 552, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface **2310' FNL & 660' FEL**
At top prod. interval reported below
At total depth

14. PERMIT NO. **30-015-26438** DATE ISSUED **8-1-90**

15. DATE SPUDDED **8-26-90** 16. DATE T.D. REACHED **9-13-90** 17. DATE COMPL. (Ready to prod.) **9 30 90** 18. ELEVATIONS (OF. RKB, ST. GR, ETC.)* **3733'** 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD **8700' MD** 21. PLUG BACK T.D., MD & TVD **8617' MD** 22. IF MULTIPLE COMPL. HOW MANY* **1** 23. INTERVALS DRILLED BY **All** 24. ROTARY TOOLS **All** 25. CABLE TOOLS **None**

26. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
Second Bone Spring Carbonate 8020'-8042', 8050'-8100' 27. WAS DIRECTIONAL SURVEY MADE **No**

28. TYPE ELECTRIC AND OTHER LOGS RUN
DLL-MLL-GR-CAL, ZDEN-CNL-CAL 29. WAS WELL Cased **No**

29. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	SOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	756'	17 1/2"	447 sx "C": circ	None
8 5/8"	32# & 24#	2335'	11"	674 sx "C": circ	None
5 1/2"	17# & 15.5#	8700'	7 7/8"	1370 sx "H": est TOC @ 500'	

30. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2 3/8"	8276'	No PKR.

31. ACID SHOT, FRACTURE, CEMENT SQUEEZE ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
Perf 8020'-8100'	2 JSPF (total 146 holes)
Acid 8020'-8100'	6000 gals 20% HCl
Acid frac 8020'-8100'	31,080 gals 2% HCl gel

32. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
10-2-90	Pumping 1.25" insert	Producing					
DATE OF TEST	HOURS TESTED	CHOKED SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
1-10-91	24	--	→	10	16	7	1600
FLOW TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-LBS (CORR.)	
--	50	→	10	16	7	--	

33. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **Vented** TEST WITNESSED BY **Allen S. Wilson**

34. LIST OF ATTACHMENTS
Inclination Report & Log List from #26 above.

35. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED **J. R. Jenkins** TITLE **Hobbs Production Sup't.** DATE **1-14-91**

*(See Instructions and Spaces for Additional Data on Reverse Side)

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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stems, tests, including depth interval tested, cushion used, lime tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
			STEREO '10 #2

3E.

GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEP.
Base of Salt	1990'	
7-Rivers	2620'	
Queen	3323'	
Grayburg	3840'	
San Andres	4300'	
Delaware Sand	4885'	
Top of B.S.	5671'	
1st Sand	7568'	
2nd Carbonate	7858'	
2nd Sand	8144'	
T.D.	8700'	

RECEIVED

OCT 8 1990

WELL: Stetco "10" Federal #2

JAN 16 '91

LOCATION Sec. 10-18S-31E/Eddy County, New Mexico

O. C. ID.

(Give Unit, Section, Township, and Range)

ARTESIAN OFFICE

OPERATOR Marathon Oil Company

DRILLING CONTRACTOR Exeter Drilling Company

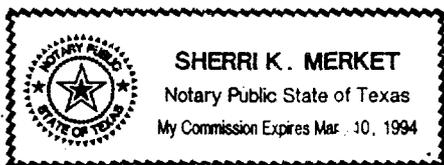
The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that has conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
3/4° 321'	2° 6,380'	
1° 475'	2 1/4° 6,594'	
3/4° 565'	3 1/4° 6,748'	
3/4° 720'	3 1/4° 6,808'	
1/2° 1,196'	3° 6,870'	
1° 1,598'	3° 7,059'	
1° 2,049'	2 3/4° 7,185'	
3/4° 2,420'	1 3/4° 7,352'	
3/4° 2,887'	2° 7,845'	
1/4° 3,345'	1 3/4° 8,140'	
1/2° 3,840'	1 1/2° 8,700'	
3/4° 4,365'		
1° 4,864'		
1 1/2° 5,362'		
1 1/2° 5,855'		
1 1/2° 6,206'		

Drilling Contractor Exeter Drilling Company

By Bruce D. Houtchens
Bruce D. Houtchens, Vice President-Southern Division

Subscribed and sworn to before me this 27th day of September, 19



Sherri K. Merket
Notary Public Sherri K. Merket

My Commission Expires 3-10-94 Midland County Texas

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JAN 2 AM 9 27

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

Oil Well Gas Well Other

DEC 7 '90

2. Name of Operator

Marathon Oil Company ✓

U. C. D.
ARTESIA, OFFICE

3. Address and Telephone No.

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

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

2310' FNL & 660' FEL
Section 10, T-18-S, R-31-E

5. Lease Designation and Serial No.

LC-029388-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Stetco "10" Federal #2

9. API Well No.

30-015-26438

10. Field and Pool, or Exploratory Area

Tamano (Bone Spring)

11. County or Parish, State

Eddy County, NM

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 Casing & Cementing ops
	<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.)*

Drilled 7-7/8" hole to 8700' (T.D.) Logged well as follows: DLL/MLL/GR/CAL 8696'-2420', ZDen/CNL/CAL 8696'2420', Lay down drill string. Change Rams to 5-1/2" and tested door seals to 1000 psi. Ran 31 JTS. 5-1/2", 17#, K-55 LTC & 170 JTS, 5-1/2", 15.5#, K-55, LTC to 8700', Shoe @ 8700', float collar @ 8615', DV Tool @ 7512'. R.U. B.J. and tested lines to 4500 psi. Mixed and pumped 1st Stage: 300 Sx Class "H" w/3% A-9, 1.2% Fl-20, 1% BA-58, 1-1/2% A-7 @ 15.6 ppg. Bumped plug to 1000 psi. Cement in place @ 0615 hrs. 9/15-90. Opened stage tool w/750 psi and circulated 35 Sx from 1st Stage. Cemented 2nd Stage w/1005 Sx "H" Lite 35:65:6 + 5#/SK Salt, .3% fl-20 @ 12.7 ppg. Tailed in w/100 Sx "H", .3% flCo, .3% fwC2 @ 15.6 ppg. Closed DV Tool w/3250 psi. Released Pressure-OK. Did not circ. cement on 2nd Stage. Est. TOC - 500'. Nippled down BOP's. Installed 11" 3m x 7-1/16" 3m tubing head Tested seals and installed cap. Rig Released 1400 hrs. 9/15-90.

FILED FOR RECORD
DEC 06 1990

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

Signed

[Signature]

Title Drilling Superintendent

Date

12/3/90

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

90 SEP 20 AM 9 06

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

51

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.
LC-029388-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Stetco '10' Federal #2

9. API Well No.
30-015-26438

10. Field and Pool, or Exploratory Area
Tamano (Bone Spring)

11. County or Parish, State
Eddy, NM

SUBMIT IN TRIPLICATE

RECEIVED

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) 682-1626

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FNL & 660' FEL
Sec. 10, T-18-S, R-31-E

SEP 13 '90

O. C. D.
ARTESIA, OFFICE

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 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>Spud & csg operations</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.)*

Preset 56' of 20" conductor to 70' KB. Cmt'd w/ redimix. MIRU Exeter Rig #67, install 20" rotating head on conductor. Spud 17-1/2" hole @ 2330 hrs 8-26-90. Drilled to 756'. R.U. casers & ran 19 jts, 13-3/8", 48#, H-40, STC casing to 756', w/ insert float @ 714'. R.U. B.J. & tested lines to 2000#. Cmt'd w/ 385 sx 'C' + 4% gel + 2% CaCl₂, tailed in w/ 250 sx 'C' + 2% CaCl₂. CIP @ 0300 hrs 8-28-90. Circ'd 188 sx to pit. WOC 4 hrs. Cut conductor & 13-3/8" csg. Weld on 13-3/8" SOW x 13-5/8" 3M csg head. N.U. 13-5/8" dual ram BOP, gas buster & choke manifold. Tested rams, choke lines, choke manifold, safety valve, upper & lower kelly cocks to 300#/3000#. Tested kelly, stand pipe and mud lines to 300#/1500#. Tested casing to 1000#. TIH & tag cement @ 715'. Total WOC - 22-1/2 hrs. Drilled cmt to 801' and test csg to 1000#. NU rotating head & resume drilling formation w/ 11" bit.

Drilled 11" hole to 2420'. Changed rams to 8-5/8". Tested seals to 1500#. Ran 23 jts, 8-5/8", 32#, K-55 and 36 jts, 24#, K-55, STC csg. Float collar @ 2335'. R.U. B.J. & tested lines to 2000#. Cmt'd w/ 650 sx 'C' + 4% gel, 2% CaCl₂ + 10 pps salt, tailed in w/ 250 sx 'C' + 2% CaCl₂. CIP @ 2340 hrs 8-30-90. Circ'd 226 sx to surface. Set slips w/ 50,000#. Cut 8-5/8". N.U. 13-5/8" 3M x 11" 3M 'B' section. Tested seals to 1000 psi.

Tested rams, choke manifold & valves, kelly cocks to 300/3000#. Tested annular 300#/1700#, mud line 500#/1500#, stand pipe 2000#. TIH & tag cmt @ 2335'. Test csg to 1000#. Total WOC time - 16 hrs. Drilled cmt to 2400', test csg to 1000#. Drilled cmt to shoe & resumed drilling formation w/ 7-7/8" bit.

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

Signed [Signature] Title Drilling Superintendent Date 9/5/90

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

ACCEPTED FOR RECORD

SEP 11 1990

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.

*See Instruction on Reverse Side CARLSBAD, NEW MEXICO

Drawer DD Artesia, N.M. 88203

UNITED STATES DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY CONSERVATION DIVISION

30-015-26438
5. LEASE DESIGNATION AND SERIAL NO.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL DEEPEN PLUG BACK

b. TYPE OF WELL OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR Marathon Oil Company RECEIVED

3. ADDRESS OF OPERATOR P. O. Box 552, Midland, TX 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 2310' FNL & 660' FEL At proposed prod. zone 2310' FNL & 660' FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10 miles ESE of Loco Hills, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 9000'

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3733' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 17-1/2", 11", and 7-7/8" hole sizes.

Propose to drill to a TD of ±9000'.

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

Blowout prevention equipment will be applied as outlined in Additional Information.

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

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zones 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 [Signature] TITLE Drilling Superintendent DATE 7/11/90

(This space for Federal or State office use)

PERMIT NO. APPROVED BY [Signature] TITLE DATE 8-1-90

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED JUL 13 9 48 AM CARLSBAD RESOURCE AREA HEADQUARTERS

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-102
Revised 1-1-89

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 STETCO 10		Well No. 2
Unit Letter H	Section 10	Township 18 South	Range 31 East	County Eddy	

Actual Footage Location of Well:
 2310 feet from the North line and 660 feet from the East line

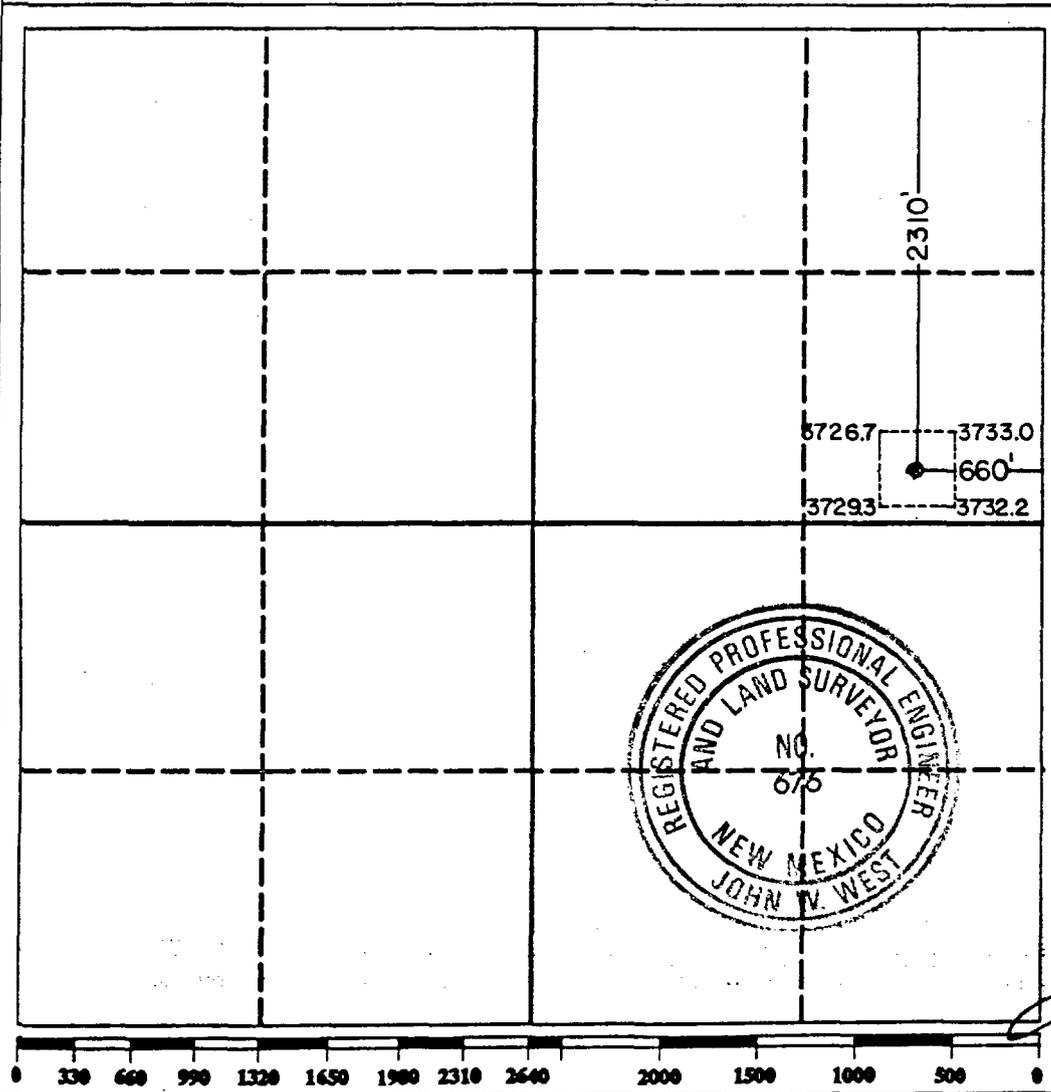
Ground level Elev. 3733.0	Producing Formation Bone Spring Carbonate	Pool Tamano (Bone Spring)	Dedicated Acreage: 40 Acres
-------------------------------------	---	-------------------------------------	---------------------------------------

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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).
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.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: *[Signature]*

Printed Name: **S. L. Atnipp**

Position: **Drilling Superintendent**

Company: **Marathon Oil Company**

Date: **7/5/90**

SURVEYOR CERTIFICATION

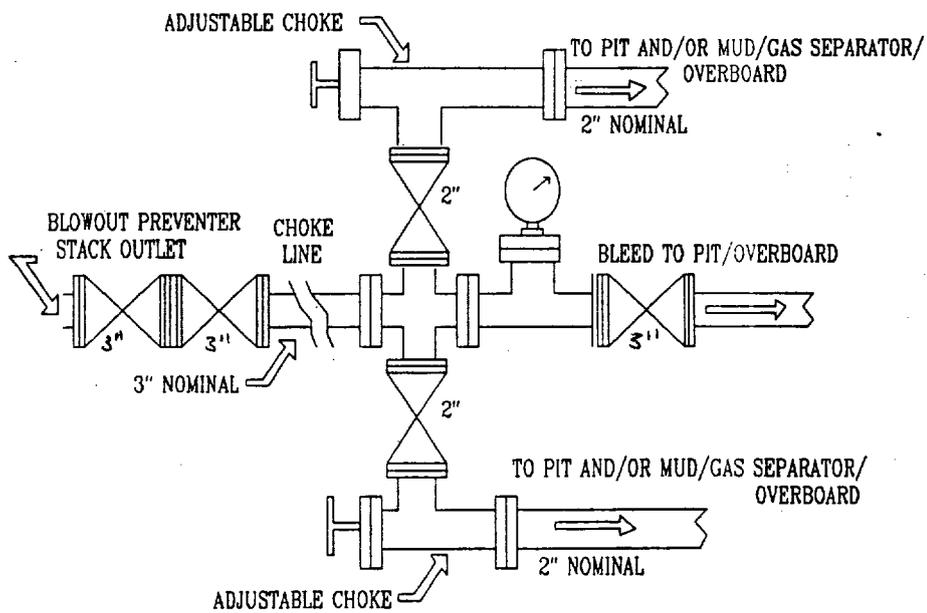
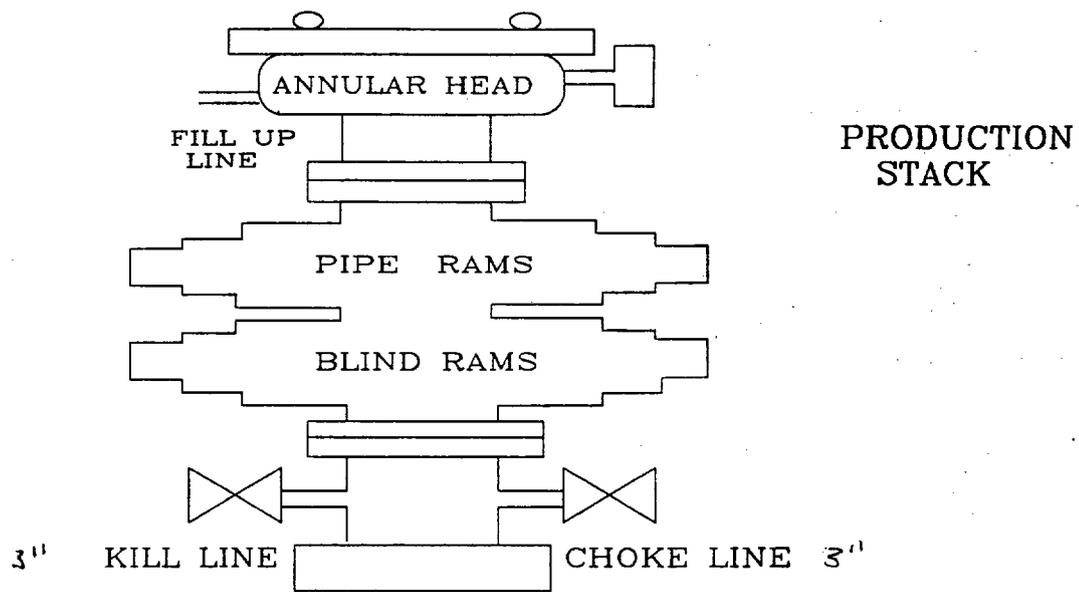
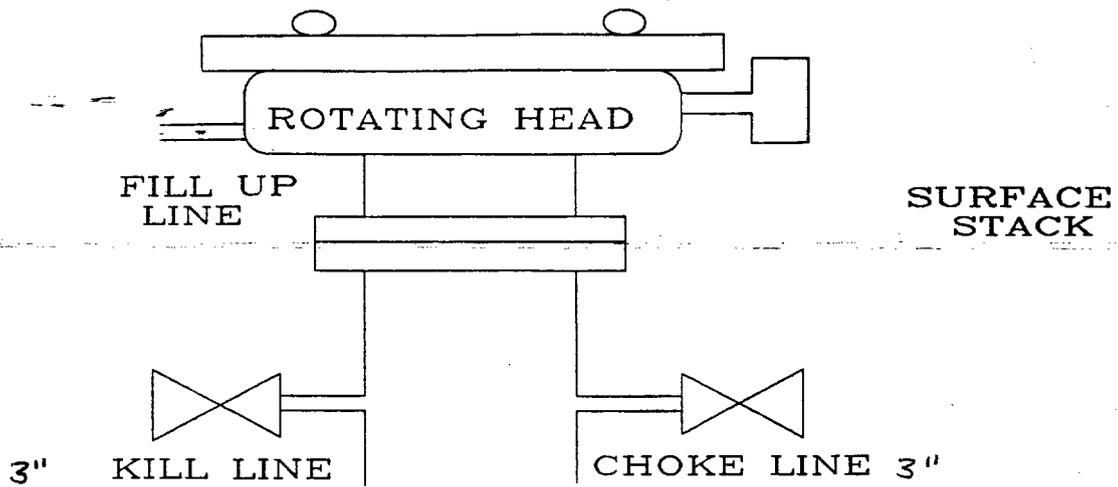
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: **July 5, 1990**

Signature & Seal of Professional Surveyor: *[Signature]*

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

128630



WRS COMPLETION REPORT

COMPLETIONS SEC 10 TWP 18S RGE 31E
 PI# 30-T-0011 02/15/91 30-015-26438-0000 PAGE 1

NMEX EDDY * 2310FNL 660FEL SEC SE NE
 STATE COUNTY FOOTAGE SPOT
 MARATHON OIL D DO
 OPERATOR WELL CLASS INT FIN
 2 STETCO "10" FEDERAL
 WELL NO. LEASE NAME
 3751KB 3733GR TAMANO
 OPER ELEV FIELD/POOL/AREA
 API 30-015-26438-0000
 LEASE NO. PERMIT OR WELL I.D. NO.
 08/26/1990 01/10/1991 ROTARY VERT OIL
 SPUD DATE COMP. DATE TYPE TOOL HOLE TYPE STATUS
 9000 BONE SPG EXETER DRLG 67 RIG SUB 16
 PROJ. DEPTH PROJ. FORM CONTRACTOR
 DTD 8700 PB 8617 FM/TD BONE SP2
 DRILLERS T.D. LOG T.D. PLUG BACK TO OLD T.D. FORM T.D.

LOCATION DESCRIPTION

8 MI SE LOCO HILLS, NM

CASING/LINER DATA

CSG 13 3/8 @ 756 W/ 447 SACKS
 CSG 8 5/8 @ 2420 W/ 674 SACKS
 CSG 5 1/2 @ 8700 W/ 1370 SACKS

TUBING DATA

TBG 2 3/8 AT 8276

INITIAL POTENTIAL

IPP 10BOPD 16 MCFD 7BW 24HRS
 BONE SP2 PERF W/ 146/IT 8020- 8100 GROSS
 GOR 1600 GTY-NO DETAILS
 FIELD /RESERVOIR
 /BONE SPRING
 FM - BONE SPRING 2 CARBONATE

TYPE	FORMATION	LTH	TOP	DEPTH/SUB	BSE	DEPTH/SUB
LOG	SALT				1990	1743
LOG	SVN RVRS		2620	1113		
LOG	QUEEN		3323	410		
LOG	GRAYBURG		3840	-107		
LOG	SN ANDRS		4300	-567		
LOG	DELWR SD		4885	-1152		

CONTINUED IC# 300157019390

Copyrighted 1991
 Reproduction
 Prohibited



**Petroleum Information
 Corporation**

PI-WRS-GF
 Form No 18

COMPLETIONS SEC 10 TWP 18S RGE 31E
PI# 30-T-0011 02/15/91 30-015-26438-0000 PAGE 2

MARATHON OIL D DO
2 STETCO "10" FEDERAL

TYPE	FORMATION	LTH	TOP	DEPTH/SUB	BSE	DEPTH/SUB
LOG	BONE SPG		5671	-1938		
LOG	BONE SP1 SS		7568	-3835		
LOG	BONE SP2 SS		8144	-4411		

SUBSEA MEASUREMENTS FROM GR

PRODUCTION TEST DATA

PTS 1B0 4HRS
BONE SP2 PERF W/ 146/IT 8020- 8100 GROSS
PERF 8020- 8042 8050- 8100
ACID 8020- 8100 6000GALS
20% HCL
SWBD 1 BO + 10 BLW IN 4 HRS
FM - BONE SPRING 2 CARBONATE

PTS 15B0
BONE SP2 PERF 8020- 8100 GROSS
SAFR 8020- 8100 31080GALS 18942LBS SAND
ADDTVGELA

SWBD 15 BO + LW
FM - BONE SPRING 2 CARBONATE

PTP 50BOPD 28BW 24HRS
BONE SP2 PERF 8020- 8100 GROSS
FM - BONE SPRING 2 CARBONATE

PTP 16BOPD 3BW 24HRS
BONE SP2 PERF 8020- 8100 GROSS
FM - BONE SPRING 2 CARBONATE

LOGS AND SURVEYS /INTERVAL, TYPE/

LOGS 2420- 8696 DLL 2420- 8696 MLL 2420- 8696 CAL
LOGS 2420- 8696 CZDN 2420- 8696 GR

DRILLING PROGRESS DETAILS

07/20 MARATHON OIL
BOX 552
MIDLAND, TX 79702
915-682-1626
LOC/1990/

CONTINUED

COMPLETIONS SEC 10 TWP 18S RGE 31E
PI# 30-T-0011 02/15/91 30-015-26438-0000 PAGE 3

MARATHON OIL D DO
2 STETCO "10" FEDERAL

DRILLING PROGRESS DETAILS

08/30 DRLG 756
09/06 DRLG 5960
09/13 DRLG 8431
09/20 8700 TD, WOCT
10/04 8700 TD, PB 8617, PREP TEST
10/11 8700 TD, PB 8617, WO FRAC
10/18 8700 TD, PB 8617, PREP POP
10/24 8700 TD, PB 8617, TOP
11/15 8700 TD, PB 8617, RECG LD
01/03 8700 TD, PB 8617, SI
01/10 8700 TD, PB 8617, SI
02/07 LOCAL CALL: BONE SPRING 2 CARBONATE 7858
RIG REL 09/15/90
02/07 8700 TD, PB 8617
COMP 1/10/91, IPP 10 BO, 16 MCFG, 7 BWP,
GOR 1600, GTY (NR)
PROD ZONE - BONE SPRING 8020-8100
NO CORES OR DSTS RPTD