

**LEGEND**

- BOUNDARY OF LEA UNIT
- DUAL - BONE SPRINGS & DEVONIAN
- DUAL - BONE SPRINGS & PENN. (GAS)
- PROPOSED PARTICIPATING AREA

NOTE: CONTOURS DEPICTED HEREON ARE BASED ON ORIGINAL SEISMIC CONTOURS CORRECTED BY 265 FEET TO REFLECT THE INFORMATION OBTAINED FROM SEVEN WELLS.

**CONTOURED ON TOP OF DEVONIAN  
CONTOUR INTERVAL — 100'  
LEA UNIT AREA  
LEA COUNTY, NEW MEXICO**



THE OHIO OIL COMPANY — HOUSTON, TEXAS  
 NMOCC CASE NO. 2118 & 2459  
 OHIO EXHIBIT NO. 1  
 DATE 12-13-61

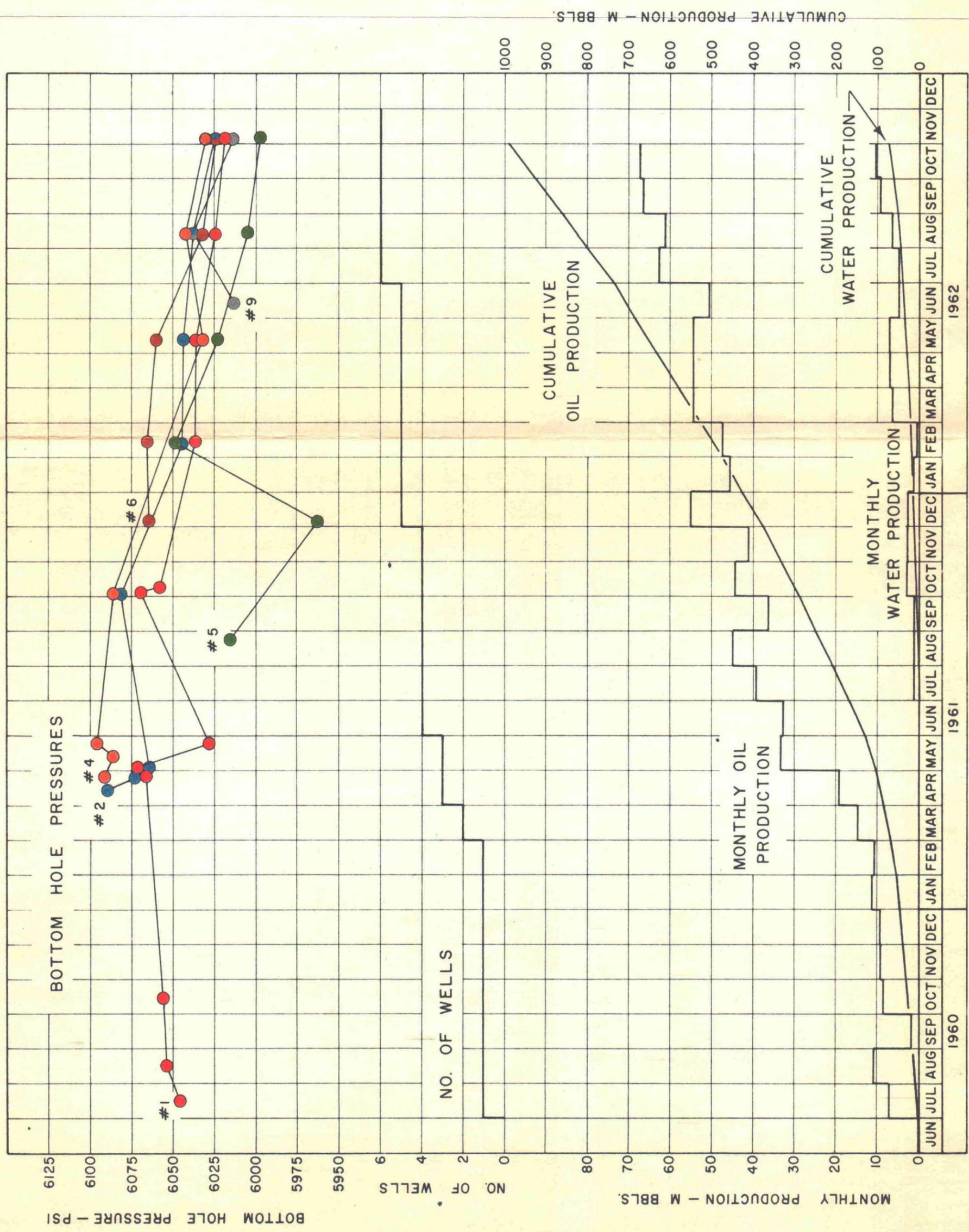
*Ex 1*

PRODUCTION HISTORY GRAPH  
 LEA DEVONIAN POOL  
 LEA COUNTY, NEW MEXICO

NMOCC CASE NO. 2118 E 2459

MARATHON EXHIBIT NO. 4

DATE 12-19-62



LEA DEVONIAN POOL  
SHUT-IN BOTTOM HOLE PRESSURES

POOL DATUM -10,744'

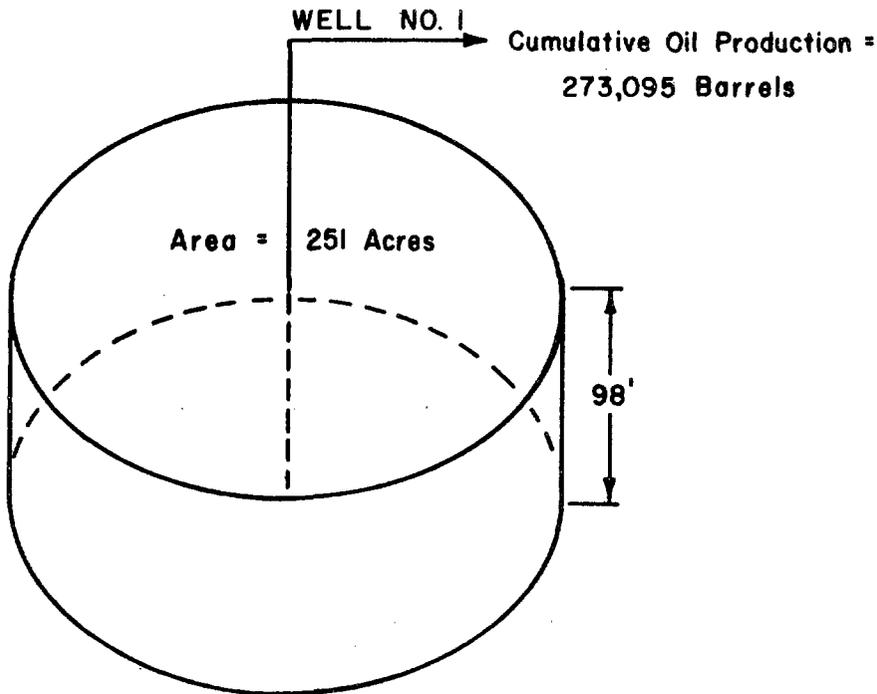
| DATE     | WELL NO. 1         |              | WELL NO. 2         |              | WELL NO. 4         |              | WELL NO. 5         |              | WELL NO. 6         |              | WELL NO. 9         |              |
|----------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|
|          | SI Time<br>(Hours) | BHP<br>(psi) |
| 7-15-60  | 161                | 6046         |                    |              |                    |              |                    |              |                    |              |                    |              |
| 8-15-60  | 65                 | 6054         |                    |              |                    |              |                    |              |                    |              |                    |              |
| 10-13-60 | 23                 | 6057         |                    |              |                    |              |                    |              |                    |              |                    |              |
| 4-13-61  |                    |              | 28                 | 6089         |                    |              |                    |              |                    |              |                    |              |
| 4-26-61  |                    |              |                    |              | 36                 | 6091         |                    |              |                    |              |                    |              |
| 4-27-61  | 37                 | 6065         | 36                 | 6073         |                    |              |                    |              |                    |              |                    |              |
| 5- 1-61  | 133                | 6072         | 71                 | 6065         |                    |              |                    |              |                    |              |                    |              |
| 5-12-61  |                    |              |                    |              | 456                | 6087         |                    |              |                    |              |                    |              |
| 5-23-61  | 648                | 6028         |                    |              | 672                | 6096         |                    |              |                    |              |                    |              |
| 8-21-61  |                    |              |                    |              |                    |              | 26                 | 6016         |                    |              |                    |              |
| 10-2-61  | 264                | 6069         | 53                 | 6082         | 53                 | 6085         |                    |              |                    |              |                    |              |
| 10-6-61  | 363                | 6058         |                    |              |                    |              |                    |              |                    |              |                    |              |
| 12-6-61  |                    |              |                    |              |                    |              | 24                 | 5963         | 93                 | 6065         |                    |              |
| 2-13-62  | 24                 | 6036         | 27                 | 6044         |                    |              | 24                 | 6046         | 29                 | 6065         |                    |              |
| 5- 2-62  | 46                 | 6036         | 48                 | 6044         | 47                 | 6033         | 53                 | 6033         | 27                 | 6060         |                    |              |
| 7-11-62  |                    |              |                    |              |                    |              |                    |              |                    |              | 22                 | 6014         |
| 8- 2-62  | 23                 | 6025         | 24                 | 6038         | 26                 | 6041         | 28                 | 6005         | 26                 | 6033         | 29                 | 6038         |
| 11-7-62  | 24                 | 6019         | 28                 | 6024         | 27                 | 6031         | 27                 | 5997         | 25                 | 6024         | 28                 | 6015         |

NMOCC Case No. 2118 & 2459

Marathon Exhibit No. 5

Date 12-19-62

PRESSURE DECLINE CALCULATED FOR LEA UNIT NO. 1  
FROM  
JULY, 1960 TO NOVEMBER, 1962  
BASED ON MAXIMUM RADIAL DRAINAGE OF 251 ACRES



$$\text{Pressure Decline} = \frac{N_p}{c_e N} \times \frac{B_o}{B_{oi}}$$

$$\text{Pressure Decline} = \frac{273,095}{(23.2 \times 10^{-6})(5.04 \times 10^6)} \times \frac{1.241}{1.185}$$

$$\text{Pressure Decline} = \frac{338,911}{139}$$

$$\text{Pressure Decline} = 2438 \text{ psi}$$

Measured Pressure Decline from July, 1960  
to November, 1962 = 27 psi

NMOCC Case No. 2118 & 2457  
Marathon Exhibit No. 6  
Date 12-18-62

The Material Balance for an oil reservoir producing when the reservoir pressure is above the bubble point pressure of the reservoir fluid is given by the following equation:

$$NB_{oi} c_e \Delta p = N_p B_o - W_e + B_w W_p$$

where:

$N$  = original oil in place

$N_p$  = cumulative oil production

$B_o$  = oil formation volume factor

$W_e$  = cumulative water influx

$B_w$  = water formation volume factor

$W_p$  = cumulative water production

$\Delta p$  = reservoir pressure decline

$B_{oi}$  = initial oil formation volume factor

$c_e$  = effective fluid compressibility

$$c_e = \frac{S_o c_o + S_w c_w + c_f}{S_o}$$

$S_o$  = oil saturation

$c_o$  = oil compressibility

$S_w$  = water saturation

$c_w$  = water compressibility

$c_f$  = formation or rock compressibility

For a volumetric reservoir  $W_e = 0$  and  $W_p = 0$  and the above equation reduces to:

$$NB_{oi} c_e \Delta p = N_p B_o$$

The reservoir pressure decline at any time is thus given by the following expression:

$$\Delta p = \frac{N_p}{c_e N} \times \frac{B_o}{B_{oi}}$$

Basic Data for Lea Unit No. 1:

|  |   |                                   |
|--|---|-----------------------------------|
| Porosity ( $\phi$ )                          | = | 5.49%                             |
| Water Saturation ( $S_w$ )                   | = | 43%                               |
| Net Pay (h)                                  | = | 98 feet                           |
| Area (A)                                     | = | 251 acres                         |
| Initial Formation Volume Factor ( $B_{oi}$ ) | = | 1.185                             |
| Oil Compressibility ( $c_o$ )                | = | $9.99 \times 10^{-6}$ vol/vol/psi |
| Water Compressibility ( $c_w$ )              | = | $3.00 \times 10^{-6}$ vol/vol/psi |
| Rock Compressibility ( $c_f$ )               | = | $6.25 \times 10^{-6}$ vol/vol/psi |

Original Oil in Place in 251 Acres Surrounding Lea Unit No. 1

$$N = \frac{7758 Ah \phi (1 - S_w)}{B_{oi}}$$

$$N = \frac{(7758)(251)(98)(0.0549)(0.57)}{1.185}$$

$$N = 5,040,000 \text{ bbls. of stock tank oil}$$

Effective Fluid Compressibility

$$c_e = \frac{S_o c_o + S_w c_w + c_f}{S_o}$$

$$c_e = \frac{[(0.57)(9.99) + (0.43)(3.0) + (6.25)] 10^{-6}}{(0.57)}$$

$$c_e = 23.2 \times 10^{-6} \text{ vol/vol/psi}$$

LEA DEVONIAN POOL

WELL COST DATA

|   | DRILLING<br>COST<br>\$ | COMPLETION<br>COST<br>\$ | DRILLING AND<br>COMPLETION<br>COST<br>\$ | SURFACE<br>EQUIPMENT<br>COST<br>\$ | GRAND<br>TOTAL<br>\$ |
|---|------------------------|--------------------------|--|------------------------------------|----------------------|
| Well No. 1                                    | 396,096                | 261,315                  | 657,411                                  | 39,740                             | 697,151              |
| Well No. 2                                    | 354,201                | 187,371                  | 541,572                                  | 22,840                             | 564,412              |
| Well No. 4                                    | 366,761                | 148,545                  | 515,306                                  | 5,981                              | 521,287              |
| Well No. 5                                    | 368,523                | 190,931                  | 559,454                                  | 5,948                              | 565,403              |
| Well No. 6                                    | <u>305,286</u>         | <u>185,667</u>           | <u>490,953</u>                           | <u>12,113</u>                      | <u>503,066</u>       |
| TOTAL   | 1,790,867              | 973,829                  | 2,764,696                                | 86,622                             | 2,851,319            |
| Average Per Well                              | 358,173                | 194,766                  | 552,939                                  | 17,324                             | 570,264              |
| Average Per Well<br>Excluding #1              | 348,693                | 178,129                  | 526,821                                  | 11,721                             | 538,542              |
| Estimated Cost to Dual                        |                        |                          | <u>25,000</u>                            |                                    |                      |
| Estimated Cost Per Devonian Well              |                        |                          | \$ 501,821                               |                                    |                      |
| Number of Devonian Wells to Date              |                        |                          | <u>7</u>                                 |                                    |                      |
| Approximate Total Devonian Well Costs to Date |                        |                          | \$3,512,747                              |                                    |                      |

NMOCC Case No. 2118 & 2459  
Marathon Exhibit No. 7  
Date 12-19-62

LARGE FORMAT  
EXHIBIT HAS  
BEEN REMOVED  
AND IS LOCATED  
IN THE NEXT FILE

LARGE FORMAT  
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AND IS LOCATED  
IN THE NEXT FILE