

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

APPLICATION OF MARATHON OIL COMPANY
FOR AUTHORITY TO INSTITUTE A PRESSURE MAINTENANCE
PROJECT FOR THE TAMANO (BSSC) UNIT
EDDY COUNTY, NEW MEXICO, INCLUDING AN
INCREASE IN THE SURFACE INJECTION PRESSURE
LIMITATION

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OIL CONSERVATION DIVISION

CASE NO. 10342

A P P L I C A T I O N

MARATHON OIL COMPANY, ("MARATHON") hereby applies to the New Mexico Oil Conservation Division for an order authorizing Marathon to institute a pressure maintenance project for the Tamano (BSSC) Unit, Eddy County, New Mexico; Applicant further seeks authority to inject water into the Tamano Bone Spring Second Carbonate Formation at a surface limitation pressure in excess of the 0.2 psi guideline (1600 psi) but not in excess of 2300 psi surface pressure;

In support of its application Marathon states:

1) Marathon is an Ohio corporation authorized to transact business in the State of New Mexico, and is engaged in the business of, among other things, producing and selling oil and gas.

2) The proposed area (the "Unit Area") for which application is made is known as the Tamano (BSSC) Unit and consists of 880 acres, more or less, in Eddy County, New Mexico, and is more particularly shown in Exhibit "A" attached hereto and incorporated herein by reference. Marathon proposes to seek an order pursuant to the New Mexico Statutory Unitization Act providing for the unitized management, operation and further development of the Unit Area.

3) By converting certain presently producing wells to water injection wells, Marathon proposes to inject fluids into the Bone Spring Second Carbonate Formation. The top of the Bone Spring Second Carbonate formation for unitization

7) Initially, water to be used for injection for the waterflood project will consist of 20% North Shugart Grayburg water, 78% City of Carlsbad Double Eagle fresh water system (Ogallala) water and 2% Bone Spring Second Carbonate produced water. As production increases, it is expected that produced water, will become the primary source of injected water supplemented by water from the Grayburg formation.

8) It is anticipated that the success of the waterflood project will require that the Division authorize Marathon to exceed the 0.2 psi per foot of depth Division guideline to a maximum surface injection pressure of 2300 psig. The project will also be aided by authority being granted to the Director of the Division to authorize administratively additional increases in the maximum surface injection pressure.

9) Filed with this application as Exhibit "C" is Division Form C-108 with attachments, which is incorporated herein by reference.

10) A copy of this application has been sent to the parties entitled to notice as required by Division rules as set forth on Exhibit "D" attached hereto.

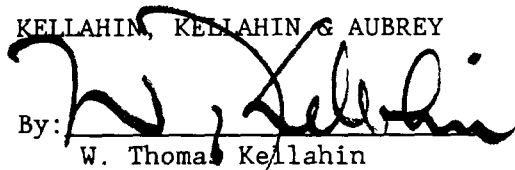
11) Approval of this application for the Tamano (BSSC) Unit waterflood project will substantially increase recoverable reserves thereby presenting waste.

WHEREFORE, Marathon respectfully requests that this application be set for hearing before the Oil Conservation Division at the earliest practicable date and that the Division enter its order approving the waterflood project for Tamano (BSSC) Unit and authorizing a surface injection pressure in excess of the Division guidelines and authorizing the Division Director to grant additional increases in maximum surface injection pressure administratively.

Respectfully submitted,

KELLAHIN, KELLAHIN & AUBREY

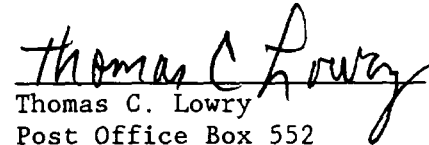
By:



W. Thomas Kellahin

Post Office Box 2265

Santa Fe, New Mexico 87504



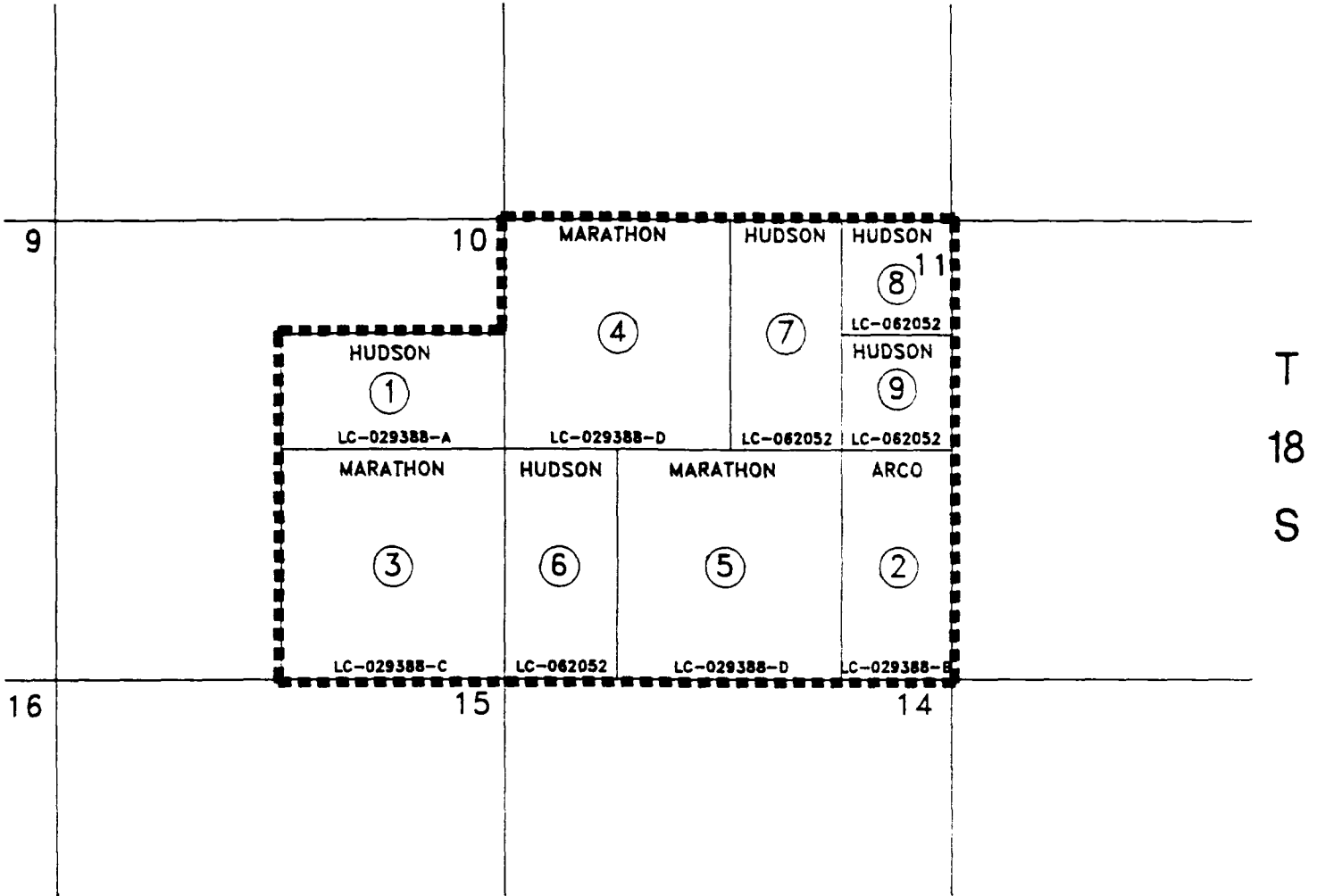
Thomas C. Lowry

Post Office Box 552

Midland, Texas 79701

Attorneys for MARATHON OIL COMPANY

R - 31 - E



LEGEND

----- UNIT BOUNDARY

① TRACT NUMBER

EXHIBIT "A"
TAMANO (BSSC) UNIT
EDDY COUNTY, NEW MEXICO

UNIT AREA - 880.00 ACRES
(ALL FEDERAL LANDS)

SCALE: 1" = 2000'

**Western Atlas
International**
A Citton/Dresser Company
Atlas Wireline Services

COMPENSATED

Z-DENSILOG

COMPENSATED

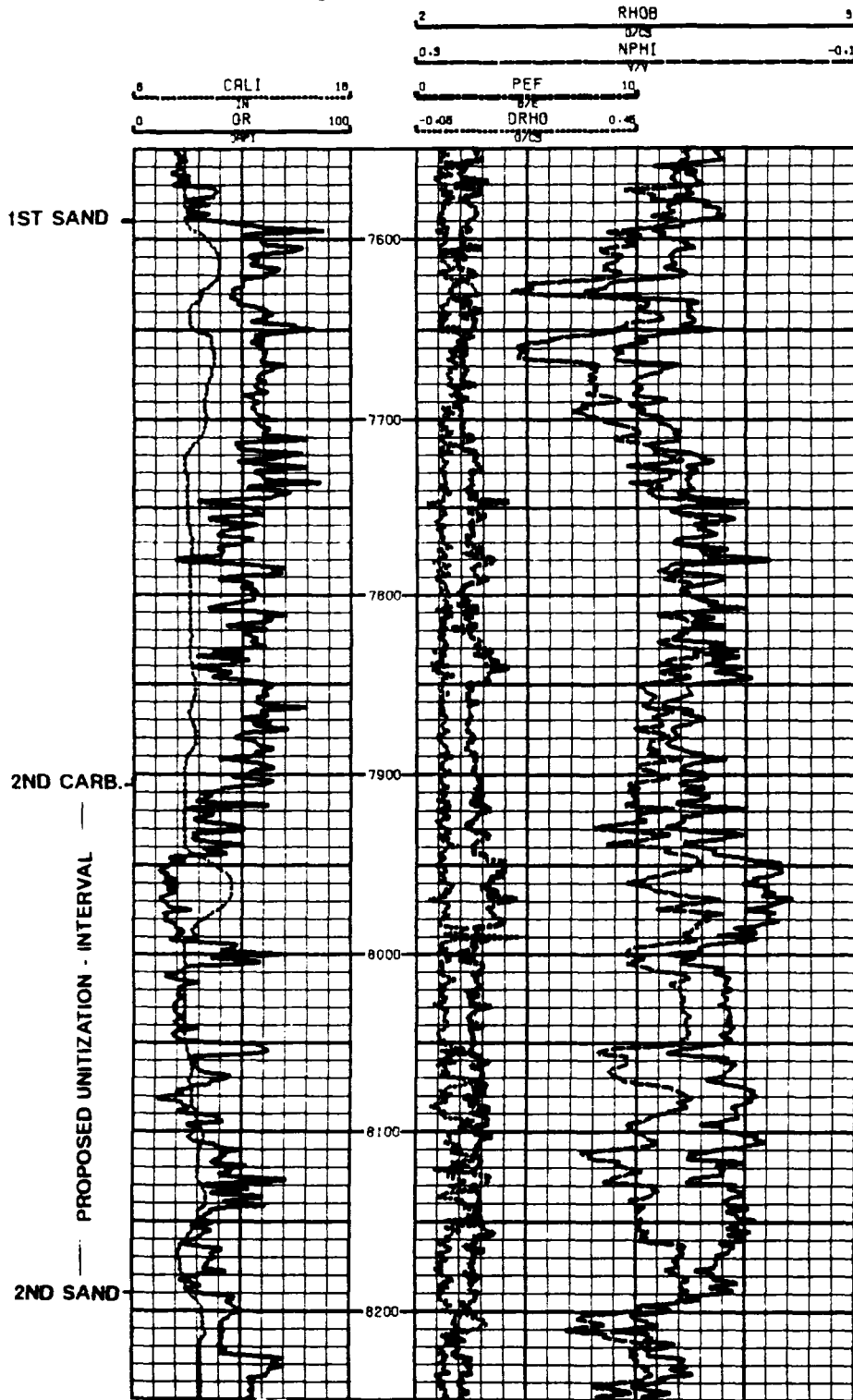
NEUTRON

GAMMA RAY

FILE NO.	COMPANY <u>MARATHON OIL COMPANY</u>		
API NO.	WELL <u>JOHNSON "B" FEDERAL NO. 4</u>		
<u>30-015-25825</u>	FIELD <u>NORTH SHUGART</u>		
	COUNTY <u>EDDY</u>		STATE <u>NEW MEXICO</u>
	LOCATION: <u>1980' FSL & 1980' FML</u>		OTHER SERVICES <u>BHC-AC/GR/CAL DIFL/GR</u>
	SEC <u>11</u> TWP <u>18-S</u> RGE <u>31-E</u>		
PERMANENT DATUM	GROUND LEVEL	ELEV. <u>3736</u>	ELEVATIONS
LOGGING MEASURED FROM	K.B. <u>15.7</u>	FT. ABOVE P.O.	KB <u>3751.7</u>
DRILLING MEASURED FROM	<u>KELLY BUSHING</u>		DF <u>3750.7</u>
			GL <u>3736</u>
DATE	<u>DEC 18, 1987</u>		
RUN	<u>1</u>		
SERVICE ORDER	<u>154224</u>		
DEPTH-DRILLER	<u>9520</u>		
DEPTH-LOGGER	<u>9522</u>		
BOTTOM LOGGED INTERVAL	<u>9519</u>		
TOP LOGGED INTERVAL	<u>2700</u>		
CASING - DRILLER	<u>8 5/8"</u>	@ <u>2728</u>	@
CASING - LOGGER	<u>2726</u>		
BIT SIZE	<u>7 7/8"</u>		
TYPE FLUID IN HOLE	<u>CAUSTIC POLYPAC</u>		
DENSITY / VISCOSITY	<u>9.2</u>	<u>35</u>	
PH / FLUID LOSS	<u>9</u>	<u>22</u>	
SOURCE OF SAMPLE	<u>MUD PIT</u>		
RM AT MEAS. TEMP.	<u>1.58</u>	@ <u>85</u>	@
RMF AT MEAS. TEMP.	<u>1.18</u>	@ <u>85</u>	@
RMC AT MEAS. TEMP.	<u>1.98</u>	@ <u>85</u>	@
SOURCE OF RMF / RMC	MEAS.	MEAS.	
RM AT BHT	<u>1.07</u>	@ <u>126</u>	@
TIME SINCE CIRCULATION	<u>21 HRS</u>		
MAX. REC. TEMP. DEG. F	<u>126</u>		
EQUIP. NO. / LOC.	<u>HL 6433</u>	<u>H0885</u>	
RECORDED BY	<u>CURTIS - ROQUEMORE</u>		
WITNESSED BY	<u>HARTER-TURMELLE-HOPKINS</u>		

EXHIBIT B

K.B. 3752'
G.L. 3736'



MARATHON OIL COMPANY
MID-CONTINENT REGION

TAMANO (BSSC) UNIT
EDDY COUNTY, NEW MEXICO

TYPE LOG
JOHNSON "B" FEDERAL #4



APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? yes no

II. Operator: Marathon Oil Company

Address: P. O. Box 552, Midland, Texas 79702

Contact party: Engineering Manager Phone: (915) 682-1626

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? yes no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: D. J. Loran Title Engineering Manager

Signature: *David J. Loran* Date: May 21, 1991

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

All well data on the proposed injectors has been submitted to the NMOCD on

appropriate completion and remedial workover notices at various times from January, 1988 to current date.

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division district office

EXHIBIT "C"

ATTACHMENT TO FORM C-108

PROPOSED TAMANO (BSSC) UNIT

SECTION

III. Well Data: See attached well diagram sheets for each of the five proposed injection wells. All five injectors were originally drilled as Bone Spring Second Carbonate producers. The next higher zone productive of hydrocarbons in the area around the injection wells is the Bone Spring First Sand at approximately 7,650'. The next lower zone productive of hydrocarbons in the area is the Bone Spring Second Sand at approximately 8,250'.

V. Area of Review: See attached map.

VI. Well Data in Area of Review: See attached well data spreadsheet and wellbore schematics on any plugged wells.

VII. 1. Proposed Average Daily Injection Rate: 5,000 BWP, 1,000 BWPW
Proposed Average Maximum Daily Injection Rate: 7,500 BWP, 1,500 BWPW.

2. The proposed system will be closed.

3. Proposed average surface injection pressure: 1,600 psig
Proposed maximum surface injection pressure: 2,300 psig

Note: Step rate test data will be submitted at the hearing on the application to support a surface injection pressure in excess of 0.2 psi/ft (1,600 psi).

4. Injection Water Source: 20% North Shugart Grayburg water, 78% City of Carlsbad Double Eagle fresh water system (Ogallala) and 2% Bone Spring Second Carbonate produced water.

Compatibility tests (see attached water analysis).

5. Not applicable.

VII. Geologic Data Injection Zone: The proposed injection zone will be the Bone Spring Second Carbonate. The productive interval of the aforementioned zone is a vuggy, naturally fractured dolomite debris flow confined by dense dolomites having no matrix or secondary porosity. The injection interval occurs at a depth of approximately 8,000' to 8,200' from the surface.

Two sources of drinking water overlying the zone of injection are the alluvium and the triassic. The alluvium is a sand and gravel zone and is present at a depth of 10 - 40' over the area of interest. The

Triassic is comprised of clays and sands and is encountered between depth of 40' - 800' in the area of interest. Water analysis of these water bearing formations are as follows:

Alluvium: 6 Mg/L, 597 MMhos (Section 7, T-18-S, R-32-E, Lea County, New Mexico).

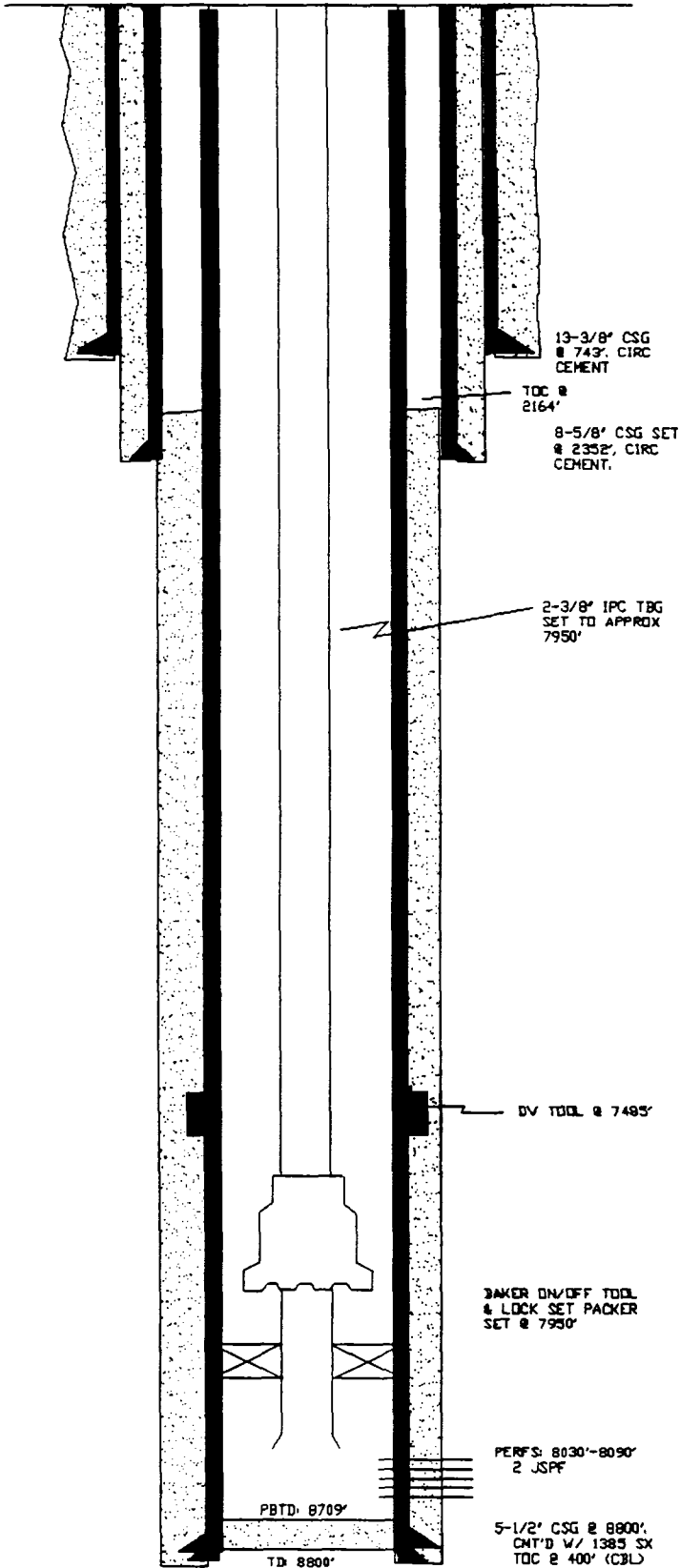
Triassic: 222 Mg/L, 1,234 MMhos (Section 12, T-18-S, R-31-E, Eddy County, New Mexico).

There are no sources of drinking water below the zone of injection. Fresh water data was obtained from Ken Fesquez, Water Specialist, with the State Engineering Office, Roswell, New Mexico.

- IX. The stimulation program for the proposed injection wells will consist of re-acidizing with approximately 5,000 gallons of HCl acid (may vary depending on interval thickness).
- X. Log and test data on all proposed injection wells has been submitted to the NMOCD and are on file in the Artesia office.
- XI. See above for fresh water analysis and the "area of review" map for their locations.
- XII. Not applicable.
- XIII. Notice, by submission of this application, has been sent to surface owners, surface lessees and offset operators by registered mail.

WELL DATA SHEET

MARATHON OIL CO
 PROPOSED TAMANO (BSSC) UNIT
 STETCO '10' FEDERAL #3
 1980' FSL & 1650' FEL (J)
 SEC 10. T-18-S, R-31-E
 EDDY CO., NEW MEXICO



TD: 8800' PBD: 8709' KB: 3738' GL: 3702'

SURFACE CSG: 13-3/8", 48#/FT
 SET @ 743'. CMT'D W/347 SX CLASS 'C'.
 CIRCULATED CMT. HOLE SIZE 17-1/2"

INTERMEDIATE CSG: 8-5/8", 24#/FT, SET @
 2352'. CMT'D W/658 SX CLASS 'C'.
 CIRCULATED CMT. HOLE SIZE 11".

PRODUCTION CSG: 5-1/2", 15.5# & 17#/FT
 SET @ 8800'. DV TOOL @ 7485'. CMT'D
 1ST STAGE W/ 285 SX CLASS 'H'.
 CMT'D 2ND STAGE W/ 1000 SX CLASS 'H'.
 LITE AND 100 SX CLASS 'H'. TOC @
 APPROX 2164'(CALC). HOLE SIZE 7-7/8".

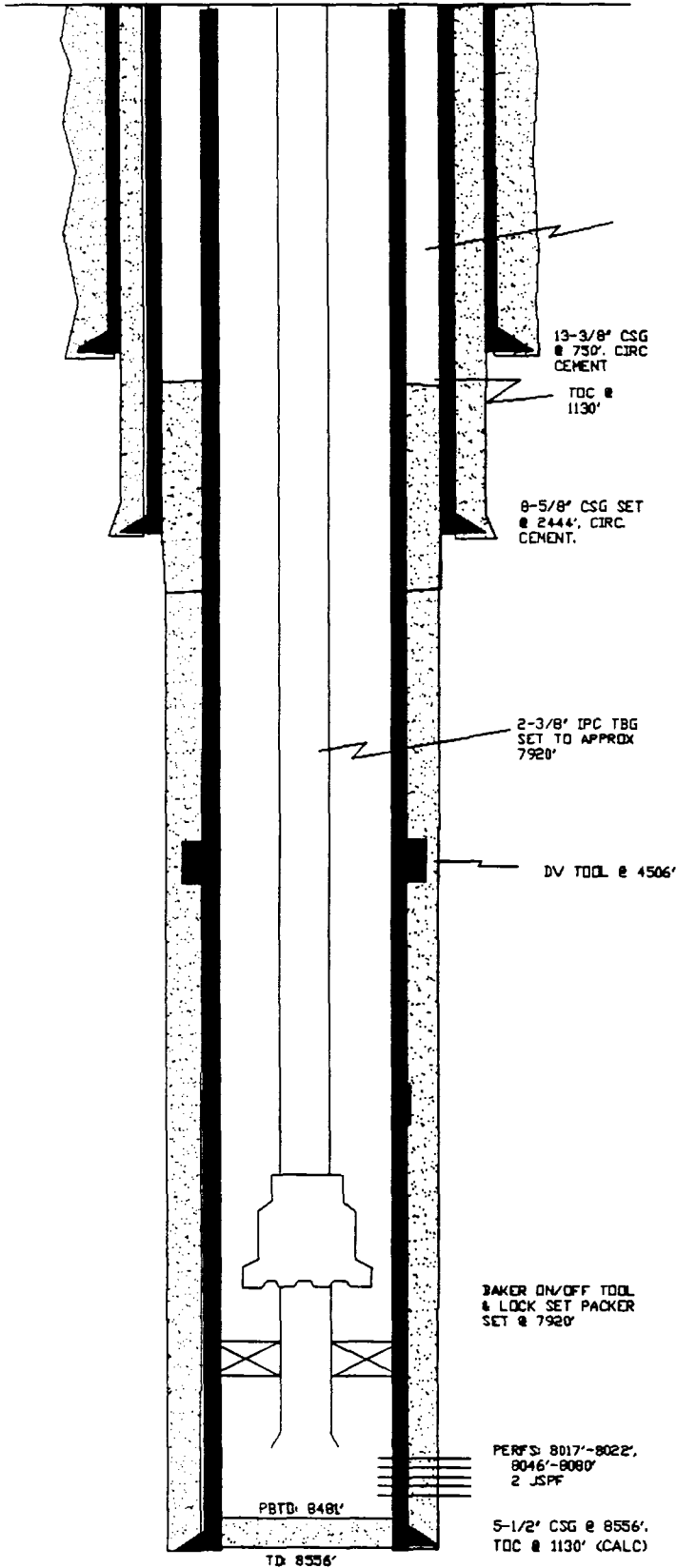
TBG/BHA: 2-3/8", 4.7#/FT, N-80, EUE IPC
 TBG TO BE SET @ APPROX 7950'.
 2-3/8" x 1.781" BAKER MODEL 'FL'
 ON/OFF TOOL W/ 1.781" 'F' PROFILE
 NIPPLE (316 STAINLESS) ON/OFF TOOL
 PLASTIC COATED. 5-1/2" x 2-3/8"
 BAKER MODEL LOK-SET PKR (IPC, EPC).
 1 JT 2-3/8" TAILPIPE W/ WIRELINE
 RE-ENTRY GUIDE.

PERFS: 8030'-8090' W/ 2 JSPF

HISTORY: COMPLETED JAN 1991, AS A 2ND
 BONE SPRING CARBONATE OIL WELL. ACID
 FRAC'D W/ 10,000 GALS GELLED 15% ACID
 W/ 275 BALLS. POTENTIAL 1-7-91 @
 600 BOPD, 0 BWPD, 347 MCFD, FTP=300
 PSIG ON A 30/64" CHOKE.
 PROPOSED AS AN INJECTION WELL.
 INJECTION WILL BE INTO THE 2ND BONE
 SPRING CARBONATE PERFS @ 8030'-8096'

WELL DATA SHEET

MARATHON OIL CO
 PROPOSED TAMAND (BSSC) UNIT
 JOHNSON "B" FEDERAL A/C 1 #10
 990' FNL & 450 FWL (D)
 SEC 11, T-18-S,R-31-E
 EDDY CO., NEW MEXICO



TD: 8556' PBD: 8481' KB: 3767' GL: 3749'

SURFACE CSG: 13-3/8", 48# & 72# /FT
 SET @ 750'. CMT'D W/635 SX CLASS
 'C'. CIRCULATED CMT. HOLE SIZE 17-1/2"

INTERMEDIATE CSG: 8-5/8", 24# & 32# /FT, SET @
 2444'. CMT'D W/600 SX CLASS 'C'.
 CIRCULATED CMT. HOLE SIZE 11'.

PRODUCTION CSG: 5-1/2", 15.5# & 17#/FT
 SET @ 8556'. DV TOOL @ 4506'. CMT'D
 1ST STAGE W/ 700 SX CLASS 'H' LITE.
 CMT'D 2ND STAGE W/ 850 SX CLASS 'H'
 LITE AND 100 SX CLASS 'H'. TDC @
 APPROX 1130'(CALC). (CBL SHOWED CMT UP
 INTO THE INTM CASING)

TBG/BHA: 2-3/8", 4.7#/FT, N-80, EUE IPC
 TBG TO BE SET @ APPROX 7920'.
 2-3/8" x 1.781" BAKER MODEL 'FL' ON/OFF TOOL
 W/ 1.781" 'F' PROFILE NIPPLE (316 STAINLESS)
 ON/OFF TOOL PLASTIC COATED.
 5-1/2" x 2-3/8" BAKER MODEL LOK-SET
 PKR (IPC, EPC). 1 JT 2-3/8" TAILPIPE
 W/ WIRELINE RE-ENTRY GUIDE.

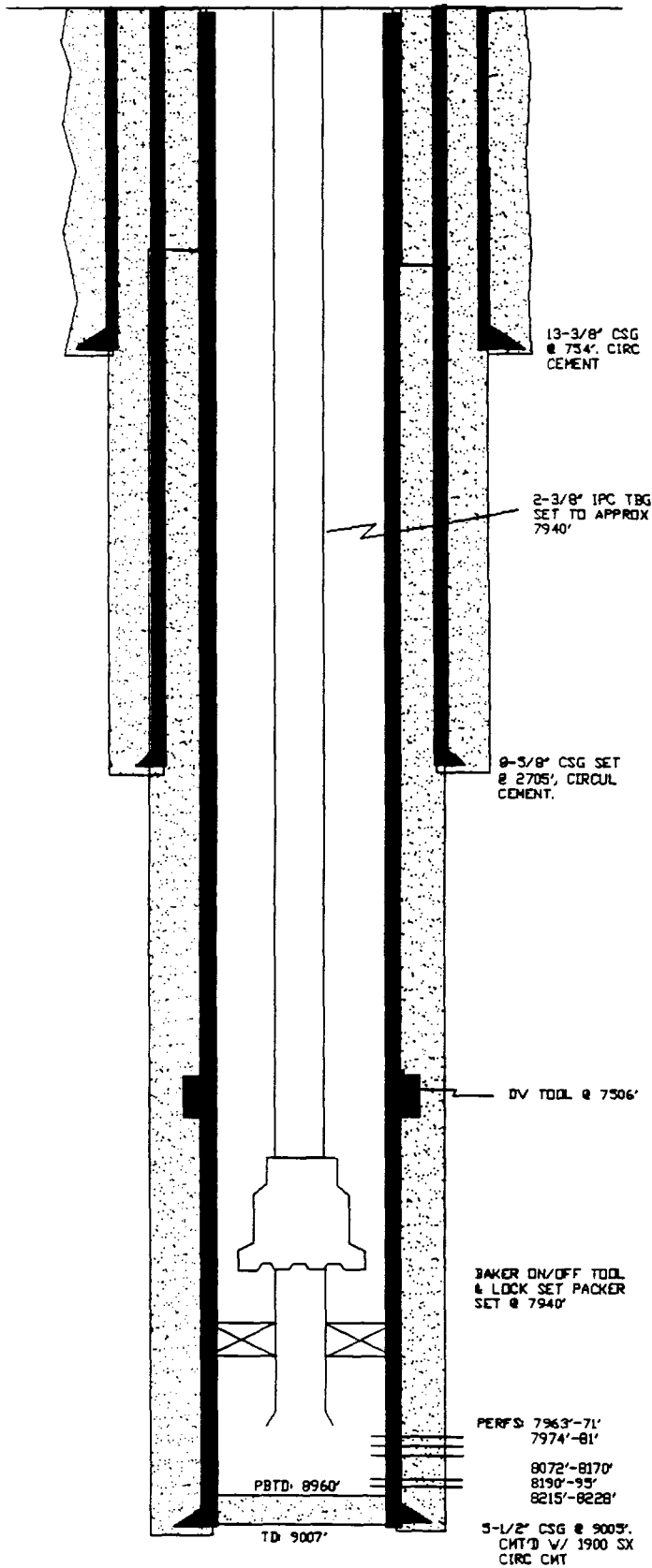
PERFS: 8017'-8022' & 8046'-8080' W/ 2 JSFF

HISTORY: COMPLETED SEPT 1990, AS A 2ND
 BONE SPRING CARBONATE OIL WELL. ACIDIZED
 W/ 5,000 GALS 20% NEFE. ACID FRACED W/
 W/ 25,000 GALS X-LINKED 20% NEFE & 27,050
 GALS GELLED 2% KCL. POTENTIALLED 10-5-90 @
 53 BOPD, 0 BWPD, & 305 MCFD.

PROPOSED AS AN INJECTION WELL.
 INJECTION WILL BE INTO THE 2ND BONE
 SPRING CARBONATE PERFS @ 8017'-8022'
 & 8046'-8080'.

WELL DATA SHEET

MARATHON OIL CO
 PROPOSED TAMAND (BSSC) UNIT
 MARATHON-SHUGART "B" #1
 660' FWL & 470' FSL (M)
 SEC 11, T-18-S, R-31-E
 EDDY CO., NEW MEXICO



TD: 9007' PBD: 8960' KB: 3740' GL: 3725'

SURFACE CSG: 13-3/8", 48#/FT
 SET @ 754'. CMT'D W/395 SX LITE & 250 SX CLASS 'C'. CIRCULATED CMT. HOLE SIZE 17-1/2"

INTERMEDIATE CSG: 8-5/8", 24# & 32#/FT, SET @ 2703'. CMT'D W/1000 SX LITE & 250 SX CLASS 'C'. CIRCULATED CMT. HOLE SIZE 11".

PRODUCTION CSG: 5-1/2", 15.5# & 17#/FT
 SET @ 9005'. DV TOOL @ 7506'. CMT'D 1ST STAGE W/ 360 SX CLASS 'H'. CMT'D 2ND STAGE W/ 1440 SX CLASS 'H' POZ AND 100 SX CLASS 'H'. CIRC CMT.

TBG/BHA: 2-3/8", 4.7#/FT, N-80, EUE IPC
 TBG TO BE SET @ APPROX 7940'.
 2-3/8" x 1.781" BAKER MODEL 'FL' ON/OFF TOOL W/ 1.781" 'F' PROFILE NIPPLE (316 STAINLESS) ON/OFF TOOL PLASTIC COATED. 5-1/2" x 2-3/8" BAKER MODEL PKR (IPC, EPC) W/ 1 JT 2-3/8" TAILPIPE W/ WIRELINE RE-ENTRY GUIDE.

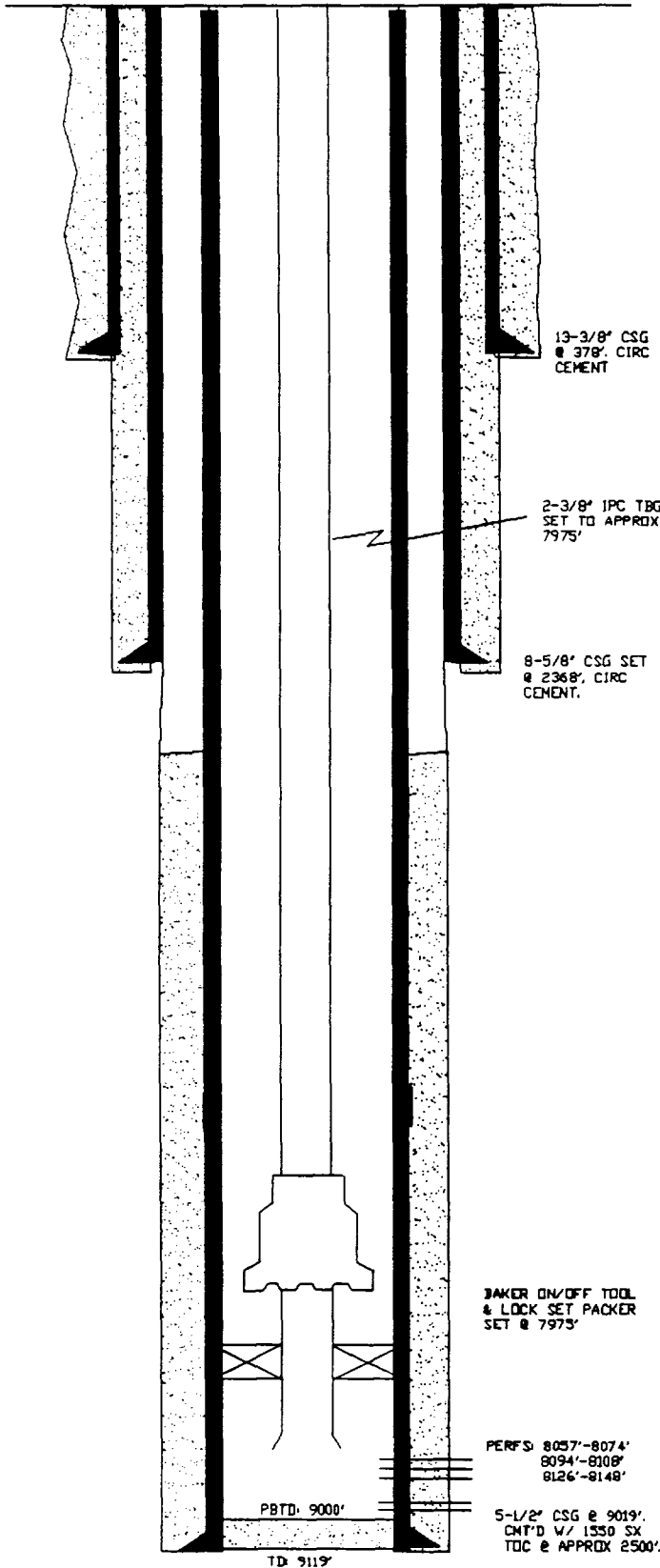
PERFS: 7963'-71' & 7974'-81'. (WILL BE SQUEEZED PRIOR TO INJECTION)
 8072'-8170', 8190'-8195', & 8215'-8228' (265 HOLES)

HISTORY: COMPLETED IN SEPTEMBER, 1989 AS A 2ND BONE SPRING CARBONATE OIL WELL. PERF'D 2ND BONE SPRING CARBONATE FROM 8072'-8120' (2 JSPP) ACIDIZED W/ 3000GAL 15% HCL. IP 9-28-89: 40 BOPD, 0 BWPD, 58 MCFD. 12-17-88 ADDED PERFS 8120'-70', 8190'-95', 8215'-28', (139 HOLES). ACIDIZED W/6400 GALS 15% HCL (W/100 BALL SEALERS). PRODUCED 136 BOPD, 8 BWPD, 8-3-90 FRACED W/90934 GALS (PAD & GEL) & 1-4 PPG 20/40 SAND AND 4 PPG RESIN COATED 20/40. 10-24-90 PERF'D 7963'-81'. ACIDIZED W/ 3000 GALS 15% NEFE. PRODUCED 22 BOPD, 3 BWPD, & 30 MCFD.

PROPOSED AS AN INJECTOR INTO THE 2ND BONE SPRING CARBONATE PERFS @ 8072'-8228'. THE PERFS @ 7963'-71' & 7974'-81' WILL BE SQUEEZED W/ CEMENT PRIOR TO INJECTION.

WELL DATA SHEET

HARVEY E. YATES COMPANY
 PROPOSED TAMANO (BSSC) UNIT
 HUDSON '11' FEDERAL #4
 2310' FNL & 2310' FEL (G)
 SEC 11, T-18-S, R-31-E
 EDDY CO., NEW MEXICO



TD: 9119' PBD: 9000' KB: 3747' GL: 3756'

SURFACE CSG: 13-3/8",
 SET @ 378', CMT'D W/385 SX
 CIRCULATED CMT. HOLE SIZE 17-1/2"

INTERMEDIATE CSG: 8-5/8" SET @ 2368',
 CMT'D W/1300 SX, CIRCULATED CMT.
 HOLE SIZE 11".

PRODUCTION CSG: 5-1/2" SET @ 9119',
 CMT'D W/1550 SX, TOC @ 2500',
 HOLE SIZE 7-7/8".

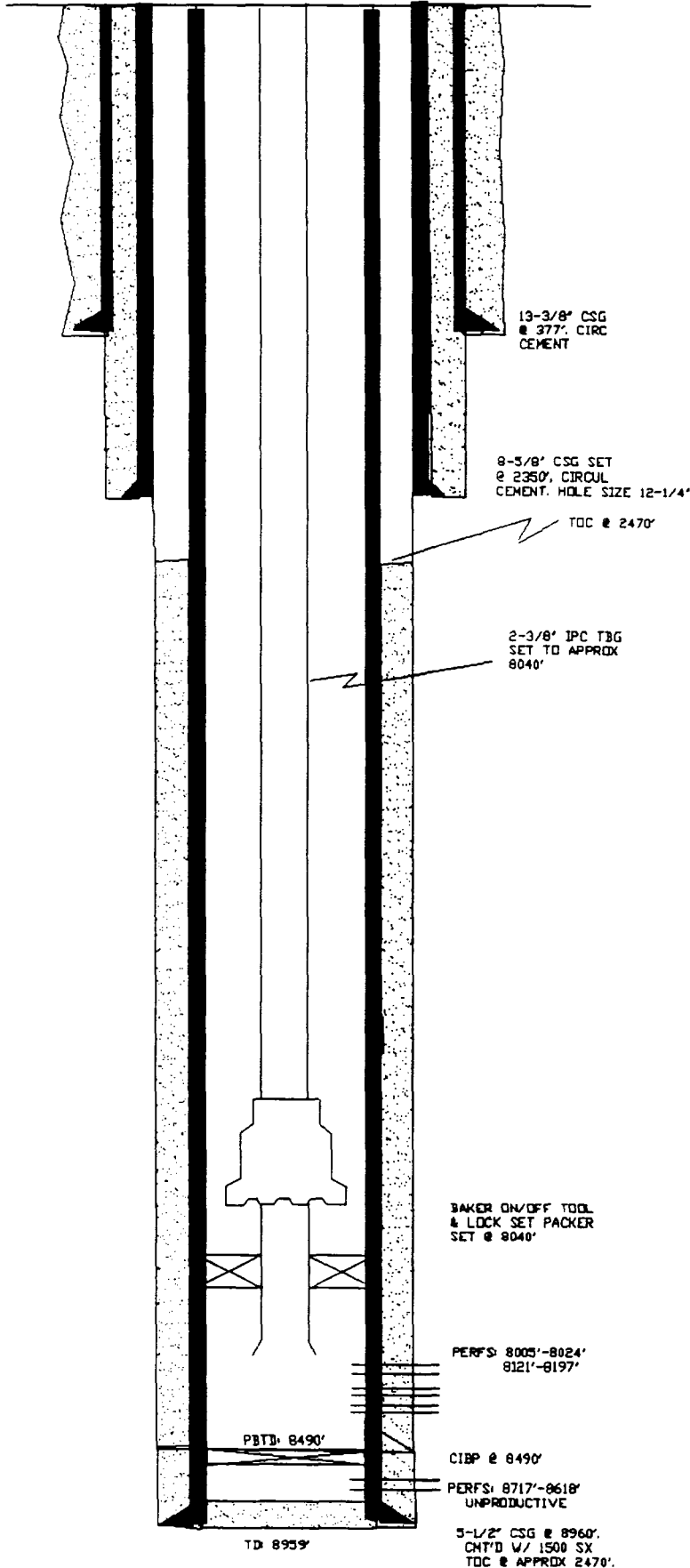
TBG/BHA: 2-3/8", 4.7#/FT, N-80, EUE IPC
 TBG TO BE SET @ APPROX 7975'.
 2-3/8" x 1.781" BAKER MODEL 'FL'
 ON/OFF TOOL W/ 1.781" 'F' PROFILE
 NIPPLE (316 STAINLESS) ON/OFF TOOL
 PLASTIC COATED. 5-1/2" x 2-3/8"
 BAKER MODEL PKR (IPC, EPC) W/ 1 JT
 2-3/8" TAILPIPE W/ WIRELINE RE-ENTRY
 GUIDE.

PERFS: 8057'-74', 8094'-8108', & 8126'-8148'.

HISTORY: COMPLETED 7-14-88. WELL POTENTIAL FLOWING 216 BOPD, 24 BWPD,
 & 138 MCFD ON A 16/64" CHOKE W/350 PSIG FLOWING PRESSURE.
 THIS WELL IS PROPOSED AS AN INJECTOR. THE WELL WILL INJECT INTO
 THE 2ND BONE SPRING CARBONATE THROUGH PERFS @ 8057'-74', 8094'-8108',
 & 8126'-48'.

WELL DATA SHEET

HARVEY E. YATES COMPANY
 PROPOSED TAMANO (BSSC) UNIT
 A.J. '11' FEDERAL #1
 560' FSL & 990' FEL (P)
 SEC 11, T-18-S, R-31-E
 EDDY CO, NEW MEXICO



TD: 8959' PBD: 8490' KB: 3740' GL: 3751'

SURFACE CSG: 13-3/8" SET @ 377'
 CMT'D W/ 600 SX. CIRC CMT.
 HOLE SIZE 17-1/2"

INTERMEDIATE CSG: 8-5/8" SET @ 2350'.
 CMT'D W/1600 SX. CIRCULATED CMT.
 HOLE SIZE 12-1/4"

PRODUCTION CSG: 5-1/2" SET @ 8960'.
 CMT'D W/1500 SX. TOC @ 2470'.
 HOLE SIZE 7-7/8. CIBP SET @ 8490'

TBG/BHA: 2-3/8", 4.7#/FT, N-80, EUE IPC
 TBG TO BE SET @ APPROX 8040'.
 2-3/8" x 1.781" BAKER MODEL 'FL'
 ON/OFF TOOL W/ 1.781" 'F' PROFILE
 NIPPLE (316 STAINLESS) ON/OFF TOOL
 PLASTIC COATED. 5-1/2" x 2-3/8"
 BAKER MODEL PKR (IPC, EPC) W/ 1 JT
 2-3/8" TAILPIPE W/ WIRELINE RE-ENTRY
 GUIDE.

PERFS: 8005'-24' & 8121'-97'.

HISTORY: COMPLETED 7-4-89. WELL POTENTIAL PUMPING 255 BOPD, 91 BVPD,
 & 240 MCFD. ADDED PERFS (8005'-8024') 10-3-90. ACIDIZED W/17,700 GALS
 20% ACID.

WELL PROPOSED FOR WATER INJECTION. INJECTION WILL BE INTO THE
 2ND BONE SPRING CARBONATE THROUGH PERFS @
 8005'-8024' & 8121'-8197'

BAKER ON/OFF TOOL
 & LOCK SET PACKER
 SET @ 8040'

PERFS: 8005'-8024'
 8121'-8197'

CIBP @ 8490'

PERFS: 8717'-8618'
 UNPRODUCTIVE

5-1/2" CSG @ 8960'.
 CMT'D W/ 1500 SX
 TOC @ APPROX 2470'.

TD 8959'

WELL DATA SHEET

TAYLOR "12" FEDERAL #5
990' FNL & 660' FWL (D)
SEC 12, T-18-S, R-31-E
EDDY CO., NEW MEXICO
STATUS: P & A

PLUG #6: SURFACE
(50 SX)

13-3/8" CSG
SET @ 350'
CMT'D W/375 SX
CIRC.

PLUG #5: 930'-1030' (100 SX)

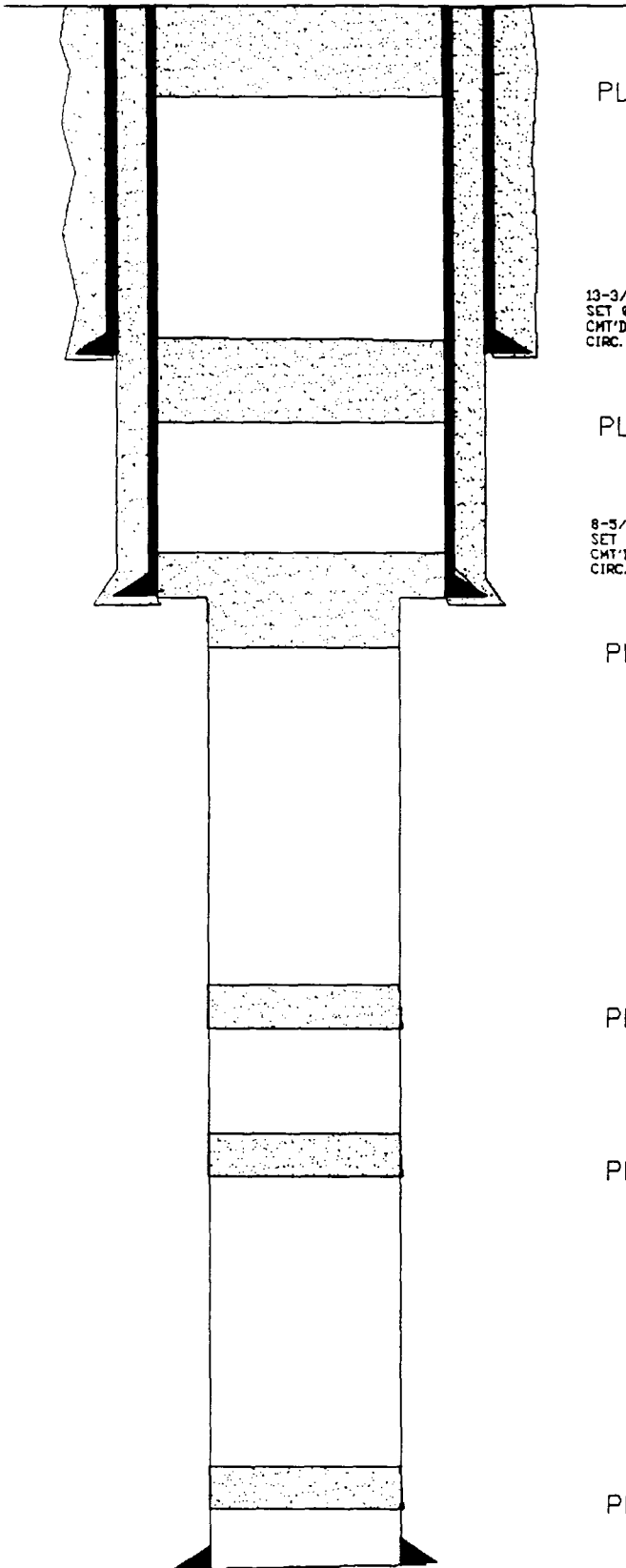
8-5/8" CSG
SET @ 2360'
CMT'D W/1300 SX
CIRC.

PLUG #4: 2211'-2418' (100 SX)

PLUG #3: 4800'-4900' (100 SX)

PLUG #2: 5600'-5780' (100 SX)

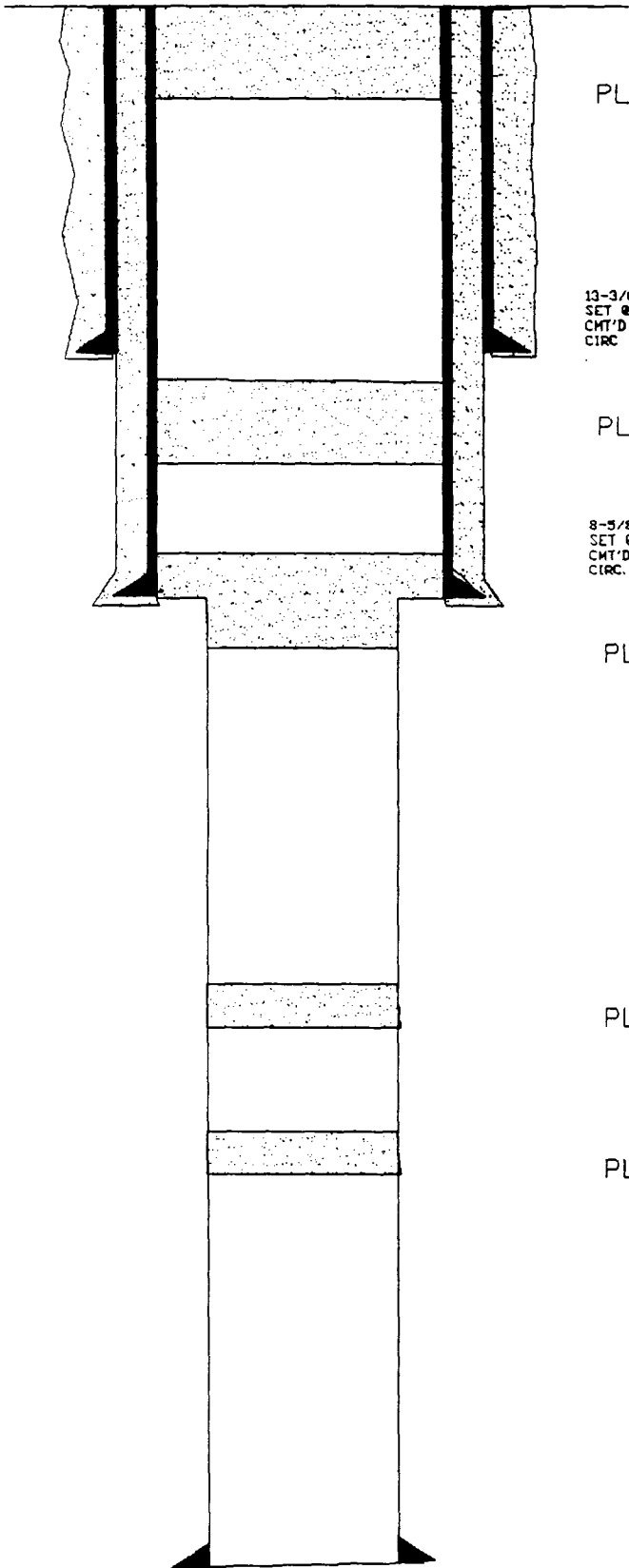
PLUG #1: 8800'-8900' (100 SX)



TD: 8902'

WELL DATA SHEET

TAYLOR "12" FEDERAL #2
660' FSL & 330' FWL (M)
SEC 12, T-18-S, R-31-E
EDDY CO., NEW MEXICO
STATUS: P & A



PLUG #5: SURFACE
(15 SX)

13-3/8" CSG
SET @ 348'
CHT'D W/350 SX.
CIRC.

PLUG #4: 298'-398' (45 SX)

8-5/8" CSG
SET @ 2345'
CHT'D W/1350 SX
CIRC.

PLUG #3: 2295'-2395' (45 SX)

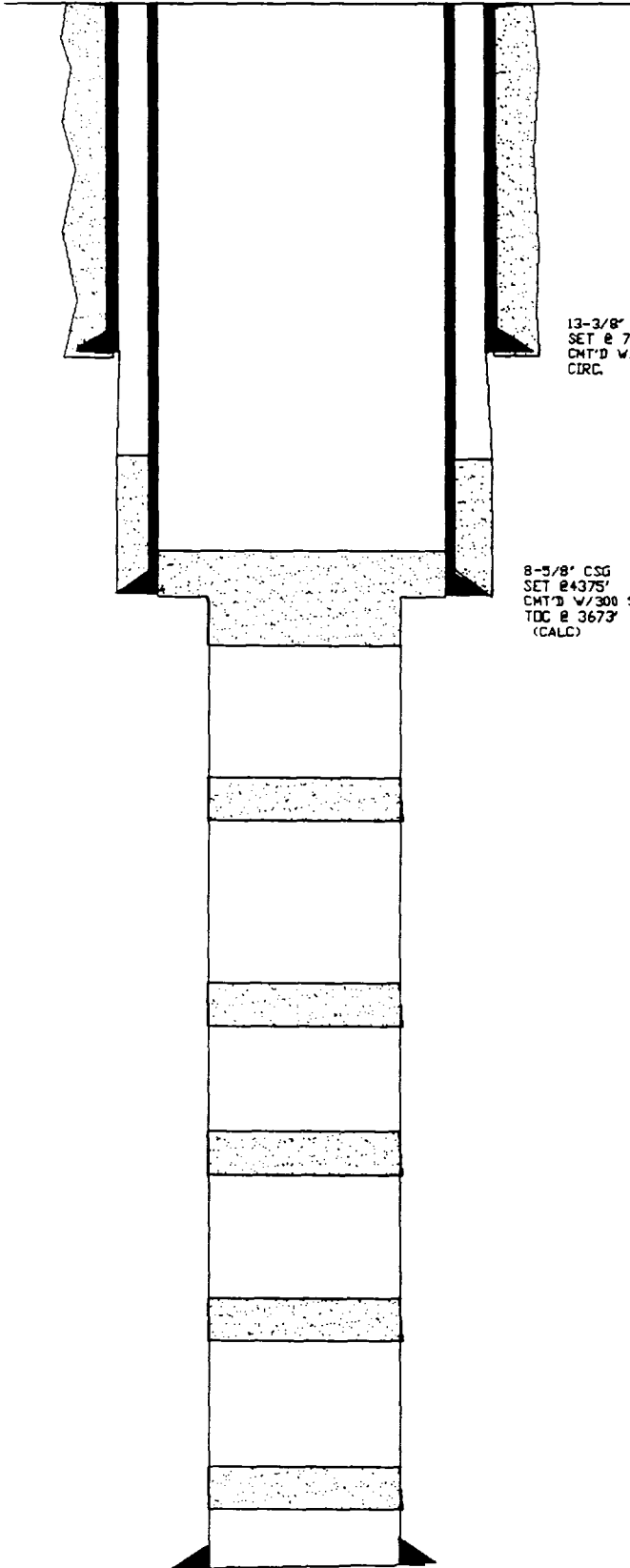
PLUG #2: 4764'-4864' (45 SX)

PLUG #1: 5894'-5994' (35 SX)

TD: 8933'

WELL DATA SHEET

HUDSON FEDERAL #1
990' FNL & 1980' FEL (B)
SEC 11, T-18-S, R-31-E
EDDY CO., NEW MEXICO
STATUS: P & A



13-3/8" CSG
SET @ 747'
CMT'D W/750SX
CIRC.

8-5/8" CSG
SET @ 4375'
CMT'D W/300 SX
TDC @ 3673'
(CALC)

PLUG #6: 4320'-4430' (30 SX)

PLUG #5: 5900'-6030' (50 SX)

PLUG #4: 6490'-6600' (30SX)

PLUG #3: 8000'-8150' (50 SX)

PLUG #2: 9400'-9600' (60 SX)

PLUG #1: 11,100'-11,400' (100 SX)

TD: 11500'

WELL DATA SHEET

READ & STEVENS
JAMIE FEDERAL #1

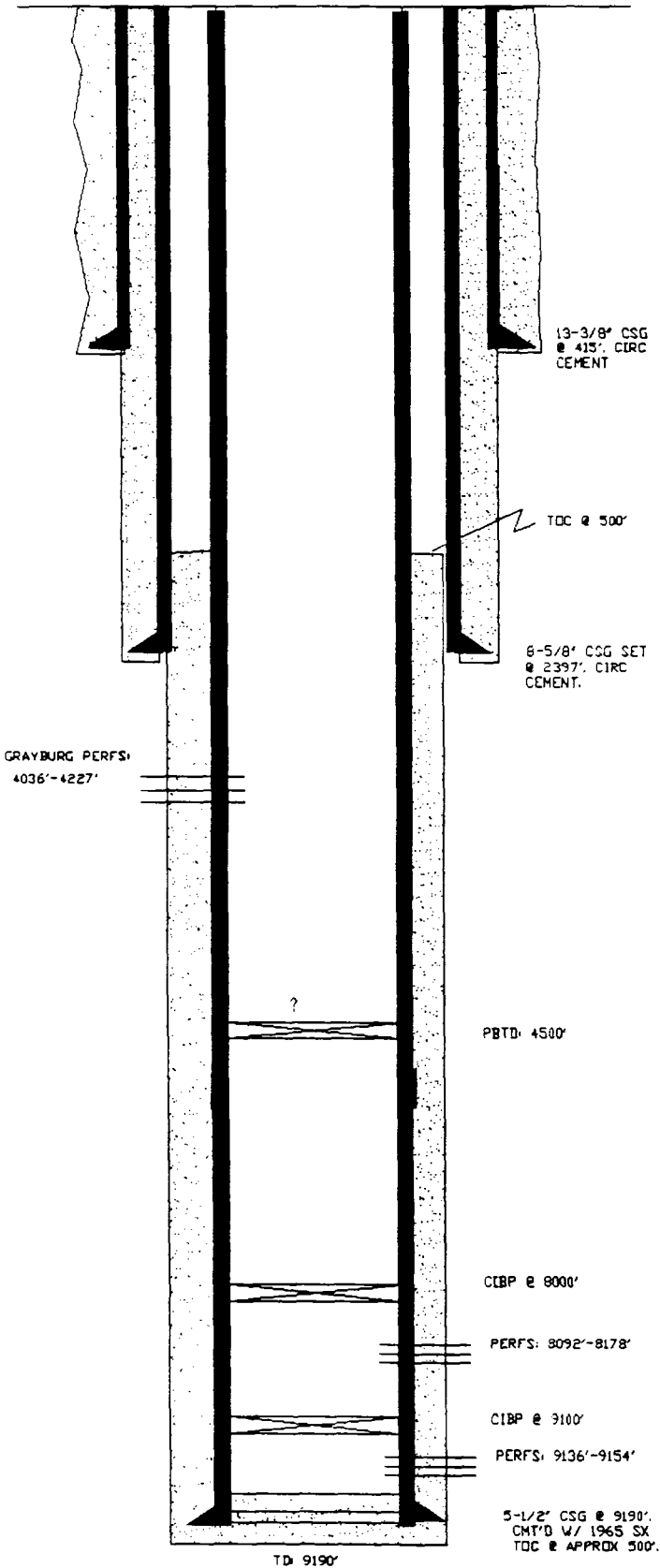
330' FNL & 1920' FWL (C)
SEC 14, T-18-S, R-31-E
EDDY CO., NEW MEXICO

TD: 9190' PBD: 4500' KB: ? GL: 3722'

SURFACE CSG: 13-3/8",
SET @ 415'. CMT'D W/500 SX
CIRCULATED CMT. HOLE SIZE 17-1/2"

INTERMEDIATE CSG: 8-5/8" SET @ 2397'.
CMT'D W/1250 SX. CIRCULATED CMT.
HOLE SIZE 11".

PRODUCTION CSG: 5-1/2" SET @ 9190'.
CMT'D W/1965 SX. TOC @ 500'.
HOLE SIZE 7-7/8".



Unichem International
 707 North Leech P.O.Box 1499
 Hobbs, New Mexico 88240

Company : MARATHON OIL COMPANY
 Date : 03-11-1991
 Location: COMPATABILITY - (on 3-8-1991)

Specific Gravity:	Sample 1
Total Dissolved Solids:	1.025
pH:	35565
IONIC STRENGTH:	8.06
	0.696

CATIONS:

		me/liter	mg/liter
Calcium	(Ca ⁺²)	94.6	1890
Magnesium	(Mg ⁺²)	49.0	595
Sodium	(Na ⁺¹)	476	11000
Iron (total)	(Fe ⁺²)	0.500	14.0
Barium	(Ba ⁺²)	0.007	0.515

ANIONS:

Bicarbonate	(HCO ₃ ⁻¹)	2.06	126
Carbonate	(CO ₃ ⁻²)	0.600	18.0
Hydroxide	(OH ⁻¹)	0	0
Sulfate	(SO ₄ ⁻²)	7.69	369
Chloride	(Cl ⁻¹)	610	21600

DISSOLVED GASES

Carbon Dioxide	(CO ₂)
Hydrogen Sulfide	(H ₂ S)
Oxygen	(O ₂)

SCALING INDEX (positive value indicates scale)

	Calcium	Calcium
Temperature	Carbonate	Sulfate
86°F 30°C	0.90	-34

Comments:
 JOHNSON B FEDERAL A/C #1 = 5% SHUGART B = 5% JOHNSON B FEDERAL = 5%
 STETCO 10 FEDERAL #2 = 5% STETCO 10 FEDERAL #1 & 3 = 5%
 CITY OF CARLSBAD FRESH WATER = 75%

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT

No. W101-91

TO Hudson & Hudson
P. O. Box 9
Maljamar, NM 88264

Date March 17, 1991

This report is the property of Halliburton Services and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management. It may however be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services

Submitted by Dwaine Howard Date Rec. March 16, 1991

Well No. Shugart B #4 Depth 4030-42 Formation Grayburg

Field Shugart, Duran - SA - GA County Eddy Source Swab

Resistivity 0.079 @ 70°

Specific Gravity .. 1.0815 @ 70°

pH 7.0

Calcium 6,565

Magnesium 2,759

Chlorides 70,000

Sulfates Over 1,600

Bicarbonates 153

Soluble Iron 250

KCL 0

Remarks:

This water sample was taken after the load water was recovered. It is a representation analysis.

Scott Taylor
Respectfully submitted

Analyst: Scott Taylor - EIT

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranty, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including consequential damages.

Unichem International

707 North Leech P.O. Box 1499

Hobbs, New Mexico 88240

Company : MARATHON OIL COMPANY
 Date : 03-07-1991
 Location: JOHNSON "B" FEDERAL 4,5,6,8 (on 6-23-1989)

	Sample 1
Specific Gravity:	1.150
Total Dissolved Solids:	209859
pH:	7.37
IONIC STRENGTH:	3.845

CATIONS:

		me/liter	mg/liter
Calcium	(Ca ⁺²)	356	7120
Magnesium	(Mg ⁺²)	56.0	680
Sodium	(Na ⁺¹)	3200	73500
Iron (total)	(Fe ⁺²)	0.745	20.8
Barium	(Ba ⁺²)	0.086	5.90

ANIONS:

Bicarbonate	(HCO ₃ ⁻¹)	2.39	146
Carbonate	(CO ₃ ⁻²)	0	0
Hydroxide	(OH ⁻¹)	0	0
Sulfate	(SO ₄ ⁻²)	51.0	2450
Chloride	(Cl ⁻¹)	3550	126000

SCALING INDEX (positive value indicates scale)

<u>Temperature</u>		Calcium	Calcium
		Carbonate	Sulfate
86°F	30°C	1.4	16

Unichem International

707 North Leech P.O.Box 1499
 Hobbs, New Mexico 88240

Company : MARATHON OIL COMPANY
 Date : 03-11-1991
 Location: JOHNSON B FEDERAL A/C #1 (on 3-8-1991)

	Sample 1
Specific Gravity:	1.130
Total Dissolved Solids:	182031
pH:	6.00
IONIC STRENGTH:	3.598

<u>CATIONS:</u>		me/liter	mg/liter
Calcium	(Ca ⁺²)	544	10900
Magnesium	(Mg ⁺²)	256	3110
Sodium	(Na ⁺¹)	2380	54800
Iron (total)	(Fe ⁺²)	1.61	45.0
Barium	(Ba ⁺²)	0.016	1.10

<u>ANIONS:</u>		me/liter	mg/liter
Bicarbonate	(HCO ₃ ⁻¹)	0.800	48.8
Carbonate	(CO ₃ ⁻²)	0	0
Hydroxide	(OH ⁻¹)	0	0
Sulfate	(SO ₄ ⁻²)	24.5	1180
Chloride	(Cl ⁻¹)	3160	112000

SCALING INDEX (positive value indicates scale)

	<u>Temperature</u>	Calcium	Calcium
86°F	30°C	Carbonate	Sulfate
		-0.37	2.2

Unichem International

707 North Leech

P.O. Box 1499

Hobbs, New Mexico 88240

Company : MARATHON OIL COMPANY

Date : 03-07-1991

Location: JOHNSON B FEDERAL - A/C (HT) - (on 2/9/90)

	Sample 1
Specific Gravity:	1.143
Total Dissolved Solids:	200513
pH:	6.95
Resistivity:	0.047 ohms @ 74°F
IONIC STRENGTH:	4.013

CATIONS:

		<u>me/liter</u>	<u>mg/liter</u>
Calcium	(Ca ⁺²)	600	12000
Magnesium	(Mg ⁺²)	360	4370
Sodium	(Na ⁺¹)	2560	58900
Iron (total)	(Fe ⁺²)	2.61	73.0
Barium	(Ba ⁺²)	0.013	0.900

ANIONS:

Bicarbonate	(HCO ₃ ⁻¹)	3.80	332
Carbonate	(CO ₃ ⁻²)	0	0
Hydroxide	(OH ⁻¹)	0	0
Sulfate	(SO ₄ ⁻²)	20.8	1000
Chloride	(Cl ⁻¹)	2500	124000

SCALING INDEX (positive value indicates scale)

		Calcium	Calcium
	<u>Temperature</u>	Carbonate	Sulfate
86°F	30°C	1.5	1.6

Unichem International

707 North Leech P.O.Box 1499

Hobbs, New Mexico 88240

Company : MARATHON OIL COMPANY
Date : 03-11-1991
Location: STETCO 10 FEDERAL #1 & 3 (on 3-8-1991)

Specific Gravity: 1.061
Total Dissolved Solids: 85977
pH: 6.60
IONIC STRENGTH: 1.791

Table with 3 columns: CATION, me/liter, mg/liter. Rows include Calcium, Magnesium, Sodium, Iron (total), Barium with their respective chemical symbols and values.

Table with 3 columns: ANION, me/liter, mg/liter. Rows include Bicarbonate, Carbonate, Hydroxide, Sulfate, Chloride with their respective chemical symbols and values.

SCALING INDEX (positive value indicates scale)

Table with 3 columns: Temperature, Calcium Carbonate, Calcium Sulfate. Values: 86°F / 30°C, -0.03, -11.

Unichem International

707 North Leech

P.O.Box 1499

Hobbs, New Mexico 88240

Company : MARATHON OIL COMPANY

Date : 03-11-1991

Location: STETCO FEDERAL 10 FED #2 (on 3-8-1991)

Specific Gravity:	Sample 1
Total Dissolved Solids:	1.059
pH:	82908
IONIC STRENGTH:	6.40
	1.637

<u>CATIONS:</u>		<u>me/liter</u>	<u>mg/liter</u>
Calcium	(Ca ⁺²)	220	4400
Magnesium	(Mg ⁺²)	128	1560
Sodium	(Na ⁺¹)	1100	25200
Iron (total)	(Fe ⁺²)	2.65	74.0
Barium	(Ba ⁺²)	0.009	0.600

<u>ANIONS:</u>			
Bicarbonate	(HCO ₃ ⁻¹)	2.40	146
Carbonate	(CO ₃ ⁻²)	0	0
Hydroxide	(OH ⁻¹)	0	0
Sulfate	(SO ₄ ⁻²)	32.8	1580
Chloride	(Cl ⁻¹)	1410	50000

SCALING INDEX (positive value indicates scale)

		<u>Calcium</u>	<u>Calcium</u>
		<u>Carbonate</u>	<u>Sulfate</u>
86°F	30°C	-0.50	-11

Unichem International

707 North Leech P.O.Box 1499
 Hobbs, New Mexico 88240

Company : MARATHON OIL COMPANY
 Date : 03-11-1991
 Location: SHUGART B (on 3-8-1991)

Specific Gravity:	Sample 1
Total Dissolved Solids:	1.105
pH:	146576
IONIC STRENGTH:	6.30
	2.921

<u>CATIONS:</u>		<u>me/liter</u>	<u>mg/liter</u>
Calcium	(Ca ⁺²)	456	9120
Magnesium	(Mg ⁺²)	224	2720
Sodium	(Na ⁺¹)	1890	43400
Iron (total)	(Fe ⁺²)	2.47	69.0
Barium	(Ba ⁺²)	0.001	0.100

<u>ANIONS:</u>			
Bicarbonate	(HCO ₃ ⁻¹)	1.000	61.0
Carbonate	(CO ₃ ⁻²)	0	0
Hydroxide	(OH ⁻¹)	0	0
Sulfate	(SO ₄ ⁻²)	27.1	1300
Chloride	(Cl ⁻¹)	2540	90000

SCALING INDEX (positive value indicates scale)

	<u>Temperature</u>	<u>Calcium</u>	<u>Calcium</u>
86°F	30°C	<u>Carbonate</u>	<u>Sulfate</u>
		-0.32	0.12

CITY OF CARLSBAD
 - WATER ANALYSIS REPORT -
 CARLSBAD CITY LABORATORY
 WASTEWATER TREATMENT PLANT
 Carlsbad, New Mexico 88220

SAMPLE SENT BY City of Carlsbad ANALYSIS NO. _____
 FROM Double Eagle Well Field SAMPLE RECEIVED Jan. 26, 1987
 ADDRESS _____ SAMPLE REPORTED Jan. 27, 1987
 WATER SOURCE Composite

PHYSICAL CHARACTERISTICS AS RECEIVED

Color _____ Odor _____ Turbidity 0

CHEMICAL CHARACTERISTICS

	PARTS per MILLION	PPM as CaCO ₃	As CaCO ₃ GRAINS per Gallon
Alkalinity-M:		148	
Alkalinity-P:		0	
Calcium-Ca:	62	156	9.1
Magnesium-MG:	14	56	3.3
Sodium-Na:			
Sulphates-SO ₄ :	46		
Chlorides-Cl:	62		
Sp. Cond.:	375		
Iron-Fe:			
Free Chlorine:			
Fluoride:	0.84		
PH: As received:	8.2		
Aquapoise (PHs) at 70°F:			
TOTAL HARDNESS: (As CaCO ₃):		212	12.4
TOTAL DISSOLVED SOILDS (As CaCO ₃):			

Jose A. Renteria

Unichem International

707 North Leech P.O.Box 1499
 Hobbs, New Mexico 88240

Company : MARATHON OIL COMPANY
 Date : 03-11-1991
 Location: CITY OF CARLSBAD - FRESH WATER (on 3-8-1991)

Specific Gravity:	Sample 1
Total Dissolved Solids:	1.000
pH:	504
IONIC STRENGTH:	8.60
	0.012

<u>CATIONS:</u>		<u>me/liter</u>	<u>mg/liter</u>
Calcium	(Ca ⁺²)	2.08	41.6
Magnesium	(Mg ⁺²)	3.42	41.6
Sodium	(Na ⁺¹)	2.75	63.2
Iron (total)	(Fe ⁺²)	0.014	0.400
Barium	(Ba ⁺²)	0.007	0.500

<u>ANIONS:</u>			
Bicarbonate	(HCO ₃ ⁻¹)	2.20	134
Carbonate	(CO ₃ ⁻²)	0.800	24.0
Hydroxide	(OH ⁻¹)	0	0
Sulfate	(SO ₄ ⁻²)	1.02	49.0
Chloride	(Cl ⁻¹)	4.23	150

SCALING INDEX (positive value indicates scale)

	<u>Temperature</u>	Calcium	Calcium
86°F	30°C	Carbonate	Sulfate
		0.98	-18

WELL DATA

AREA OF REVIEW: PROPOSED TAMANO (BSSC) UNIT

OPERATOR-WELL NAME LOCATION	COMPLETION DATE	ID	PBID	CASING SIZE	CASING DEPTH	CEMENT SACKS/TOP	PRODUCING INTERVAL	STIMULATION	CURRENT STATUS	REMARKS
Yates Energy Thorrbush Federal No. 1 330' FSL and 1,980' FML (N) Section 1, T-18-S, R-31-E	5/25/90	9,060'	7,600'	13-3/8" 8-5/8" 5-1/2"	350' 2,400' 9,058'	405/Circ 1,240/Circ 1,855/Circ	San Andres 4,636-38' Unproductive in the Bone Spring. 01d perfs 8,949'-8,963' 8,908'-8,928', 7,931'-7,951'	A 3,200 gals A 4,000 gals A 4,250 gals	Producing in San Andres	Squeeze w/400 CIBP' w/35
Harvey E. Yates Mesquite "2" State No. 4 1,980' FSL and 660' FEL (1) Section 2, T-28-S, R-31-E	7/2/89	9,092'	8,668'	13-3/8" 8-5/8" 5-1/2"	356' 2,305' 9,092'	385/Circ 900/Circ 800/5,260' Calc	Bone Spring 2nd Sand 8,488'-94', 8,501'-24' 32', 56', 68', 85', 90' 8,600' & 8,351'-8,444' 1st Bone Spring Sand 7,469'-7,533'	A 3,000 gals SMF 100,000 Gals & 250,000# A 5,900 Gals SF 81,000 gals 7 51,000# (All parts)	Producing	
Harvey E. Yates Mesquite "2" State No. 3 1,980' FSL & 1,980' FEL (J) Section 2, T-18-S, R-31-E	1/7/86	9,025'	8,695'	13-3/8" 8-5/8" 5-1/2"	358' 2,275' 9,025'	350/Circ 900/Circ 1,275/2,918' Calc	Bone Spring 2nd Sand Selectively 8,492'-8,596'	A 3,000 SMF 97,500 Gals and 258,000#	Producing	
Harvey E. Yates Mesquite "2" State No. 5 660' FSL & 1,980' FML (N) Section 2, T-18-S, R-31-E	10/2/90	9,040'	8,990'	13-3/8" 8-5/8" 5-1/2"	359' 2,300' 9,040'	385/Circ 800/Circ 1,720/801' Calc	Bone Spring 7,862'-7,920' 8,074'-8,092'	A 3,500 SF 140,000 Gals & 350,000#	Producing	

WELL DATA

AREA OF REVIEW: PROPOSED TAMANO (BSSC) UNIT

OPERATOR-WELL NAME	COMPLETION DATE	TD	PBTD	CASING SIZE	CASING DEPTH	CEMENT SACKS/TOP	PRODUCING INTERVAL	STIMULATION	CUR STA
Harvey E. Yates									
Mesquite "2" State No. 1	3/19/85	9,065'	8,833'	13-3/8"	618'	500/Circ	Bone Spring	A 2,500(8,124'-8,467')	Pro
660' FSL & 1,980' FEL (O)				8-5/8"	2,650'	1,225/Circ	8,124'-8,646'	SMF 70,000 gals & 150,000#	
Section 2, T-18-S, R-31-E				5-1/2"	9,065'	1,375/2,479' Calc	Selectively		
Harvey E. Yates									
Mesquite "2" State No. 2	8/15/85	9,086'	9,040'	13-3/8"	450'	450/Circ	Bone Spring 2nd Sand	A 2,500	Pro
660' FSL & 660' FEL (P)				8-5/8"	2,364'	1,200/Circ	8,584'-8,660'	SF 75,000 gals & 180,000#	
Section 2, T-18-S, R-31-E				5-1/2"	9,086'	1,505/1,877' Calc	Selectively		
Harvey E. Yates									
Mesquite "3" Federal No. 3	5/15/90	10,400'	8,450'	13-3/8"	350'	375/Circ	Bone Spring 2nd Sand	A 5,200	
900' FSL & 990' FEL (P)				8-5/8"	2,316'	800/Circ	8,314', 24', 28', 36'	SMF 120,000 gals & 171,250#	
Section 3, T-18-S, R-31-E				5-1/2"	10,400'	600/6,000' CBL	42', 47', 61', 65' 70', 80', 86', 91', 8,412' 22', 30'		
Marathon									
Stetco "10" Federal No. 2	9/29/90	8,700'	8,617'	13-3/8"	756'	447/Circ	Bone Spring 2nd Carb	A 6,000 20% HCl	Pro
2,310' FNL & 660' FE" (H)				8-5/8"	2,335'	647/Circ	8,020'-8,100'	& 31,800 20% Gelled Acid	
Section 10, T-18-S, R-31-E				5-1/2"	8,700'	1,370/Circ			

WELL DATA

AREA OF REVIEW: PROPOSED TAMANO (BSSC) UNIT

OPERATOR-WELL NAME	COMPLETION DATE	ID	PBID	CASING SIZE	CASING DEPTH	CEMENT SACKS/TOP	PRODUCING INTERVAL	STIMULATION	CURRENT STATUS	REMARKS
Marathon										
Stetco "10" Federal No. 1	8/16/90	8,800'	8,495'	13-3/8"	755'	835/Circ	Bone Spring 2nd Carb 8,041'-8,170'	A 8,200 gals	Producing	
1,950' FSL & 410' FEL (I)				8-5/8"	2,445'	1,150/Circ				
Section 10, T-18-S, R-31-E				5-1/2"	8,800'	1,625/1,016' Calc				
Harvey E. Yates										
Hudson "11" Federal No. 5	10/25/89	8,916'	8,910'	13-3/8"	350'	375/Circ	Bone Spring 2nd Carb 8,048'-8,109'	A 3,200 SMF 20,000 gals & 30,000#	Producing	
990' FNL & 760' FEL (A)				8-5/8"	2,354'	900/Circ				
Section 11, T-18-S, R-31-E				5-1/2"	8,910'	1,450/1,946' Calc				
Harvey E. Yates										
Hudson Federal No. 1	Original P&A	11,500'		13-3/8"	747'	750/Circ	NA	NA	P&A	See Wellbore Schematic
660' FNL & 1,980' FEL (B)	3/26/70			8-5/8"	4,375'	300/3,673' Calc				
Section 11, T-18-S, R-31-E	Re-entered & Junked & abandoned 12/15/84									
Harvey E. Yates										
Hudson "11" Federal No. 3	4/3/89	9,034'	8,793'	13-3/8"	354'	350/Circ	Bone Spring 2nd Sand & 2nd Carb. 8,040'-70', 8,102'-25'	A 24,400 SF 334,000 gals & 217,500#	Producing	
990' FNL & 1,980' FEL (B)				8-5/8"	2,318'	1,600/Circ				
Section 11, T-18-S, R-31-E				5-1/2"	9,034'	2,150'/2,310' CBL				
Marathon										
Johnson "B" Federal A/C 1 No. 3	2/20/86	8,830'	8,793'	13-3/8"	598'	700/Circ	Bone Spring 2nd Sand & 2nd Carb. 8,416'-8,644'	A 5,500 SF 80,000 Gals & 174,000#	Producing	
660' FNL & 1,980' FML (C)				8-5/8"	2,700'	2,700/Circ				
Section 11, T-18-S, R-31-E				5-1/2"	8,828'	1,494/5,976' CBL				

WELL DATA

AREA OF REVIEW: PROPOSED TAMANO (BSSC) UNIT

OPERATOR-WELL NAME	COMPLETION DATE	ID	PBID	CASING SIZE	CASING DEPTH	CEMENT SACKS/TOP	PRODUCING INTERVAL	STIMULATION	CURRENT STATUS
Marathon									
Johnson "B" Federal A/C 1 No. 9	7/11/90	8,816'	8,723'	13-3/8"	755'	635/Circ	Bone Spring 2nd Carb.	A 6,000	Producing
2,310' FNL & 600' FML (E)				8-5/8"	2,430'	1,100/Circ	8,048'-8,130'		
Section 11, T-18-S, R-31-E				5-1/2"	8,816'	1,720/2,974'			CBL
Marathon									
Johnson "B" Federal A/C 1 No. 7	7/16/88	9,000'	8,925'	13-3/8"	796'	536/Circ	Bone Spring 2nd Carb	A 200	Producing
2,310' FNL & 2,160' FML (F)				8-5/8"	2,702'	1,350/Circ	8,070'-8,160'		
Section 11, T-18-S, R-31-E				5-1/2"	9,000'	1,490/1,862'			Calc
Harvey E. Yates									
Hudson "11" Federal No. 2	9/5/87	8,813'	8,771'	13-3/8"	350'	350/Circ	Bone Spring 2nd Carb.	A 26,000	Producing
1,930' FNL & 660' FEL (H)				8-5/8"	2,356'	1,000/Circ	7,934'-7,998'		
Section 11, T-18-S, R-31-E				5-1/2"	8,813'	1,985/<500'			Calc
Harvey E. Yates									
A. J. "11" Federal No. 2	10/7/85	8,966'	8,260'	13-3/8"	360'	375/Circ	Bone Spring 2nd Carb.	A 15,000	Producing
1,650' FSL & 660' FEL (I)				8-5/8"	2,350'	1,200/Circ	7,995'-8,126'		
Section 11, T-18-S, R-31-E				5-1/2"	8,966'	1,425/2,140'			Calc
Marathon									
Johnson "B" Federal No. 5	5/29/88	8,967'	8,861'	13-3/8"	754'	635/Circ	Bone Spring 2nd Carb.	A 2,650	Producing
2,260' FSL & 1,980' FEL (J)				8-5/8"	2,706'	1,350/Circ	8,082'-8,140'		
Section 11, T-18-S, R-31-E				5-1/2"	8,950'	1,750/2,200'			CBL

WELL DATA

AREA OF REVIEW: PROPOSED TAMANO (BSSC) UNIT

OPERATOR-WELL NAME	COMPLETION DATE	TD	PBTD	CASING SIZE	CASING DEPTH	CEMENT SACKS/TOP	PRODUCING INTERVAL	STIMULATION	CURR STATUS
Marathon Johnson "B" Federal No. 4 1,980' FSL & 1,980' FML (K) Section 11, T-18-S, R-31-E	1/14/88	9,522'	9,479'	13-3/8" 8-5/8" 5-1/2"	671' 2,728' 9,522'	700/Circ 1,450/Circ 1,450/3,560' CBL	Bone Spring 2nd Carb. 8,060'-8,150'	A 5,000	Prod
Marathon Shugart "B" No. 2 1,800' FSL & 760' FML (L) Section 11, T-18-S, R-31-E	4/27/90	8,670'	8,553'	13-3/8" 8-5/8" 5-1/2"	755' 2,715' 8,670'	485/Circ 775/Circ 1,745/Circ	Bone Spring 2nd Carb. 8,056'-8,178'	A 8,600	Prod
Marathon Johnson "B" Federal No. 6 660' FSL & 1,980' FML (N) Section 11, T-18-S, R-31-E	6/27/88	8,998'	8,919'	13-3/8" 8-5/8" 5-1/2"	760' 2,752' 8,998'	835/Circ 1,380/Circ 1,500/Circ	Bone Spring 2nd Carb. 8,078'-8,204'	A 4,000	Prod
Marathon Johnson "B" Federal No. 8 510' FSL & 2,030 FEL (O) Section 11, T-18-S, R-31-E	10/25/88	9,000'	8,918'	13-3/8" 8-5/8" 5-1/2"	800' 2,706' 9,000'	500/Circ 1,046/Circ 1,625/1,216' Calc	Bone Spring 2nd Carb. 8,115'-8,200'	A 300	Prod
Harvey E. Yates Taylor Deep "12" Federal No. 5 990' FNL & 660' FML (D) Section 12, T-18-S, R-31-E	7/14/90 P&A	8,902		13-3/8" 8-5/8"	350' 2,360'	375/Circ 1,300/Circ	NA	NA	P&A

WELL DATA

AREA OF REVIEW: PROPOSED TAMANO (BSSC) UNIT

OPERATOR-WELL NAME	COMPLETION DATE	ID	PBID	CASING SIZE	CASING DEPTH	CEMENT SACKS/TOP	PRODUCING INTERVAL	STIMULATION	CURRENT STATUS	REMARKS
Harvey E. Yates										
Taylor Deep "12" No. 1-Y	7/26/89	9,500'	9,460'	13-3/8"	350'	350/Circ	Bone Spring 3rd Sand	A 500	Producing	
2,235' FSL & 2,235' FML (K)				8-5/8"	2,410'	948/Circ	9,424'-9,432'			
Section 12, T-18-S, R-31-E				5-1/2"	9,500'	2,175/Circ				
Harvey E. Yates										
Taylor Deep "12" No. 2	7/25/89	8,933'		13-3/8"	348'	350/Circ	NA	NA	P&A	See Wellbore Schematic
660' FSL & 330' FML (M)				8-5/8"	2,345'	1,350/Circ				
Section 12, T-18-S, R-31-E										
Read & Stevens										
Marion Federal No. 1		8,842'		13-3/8"	402'	500/Circ	8,043'-8,294'	A 37,800	TA	
600' FNL & 2,100' FEL (B)				8-5/8"	2,408'	1,300/Circ	Unproductive	X-Linked Gelled		
Section 14, T-18-S, R-31-E				5-1/2"	8,842'	2,230/Circ	In Bone Spring	Acid		
Read & Stevens										
Jamie Federal No. 1		9,190'	4,500'	13-3/8"	415'	500/Circ	9,136'-9,154'	A 1,000 20% Acid	Producing	Plugged back to Grayburg
330 FNL & 1,920' FML (C)			(8,192' Orig)	8-5/8"	2,397'	1,250/Circ	8,092'-8,178'	A 5,000 20% Acid	in Grayburg	CIBP @ 9,100' W 10 sx
Section 14, T-18-S, R-31-E				5-1/2"	9,190'	1,965/<500' Calc	Unproductive in Bone Spring			CIBP @ 8,000'.

TOC EQN: TOC = CSG DEPTH - (AVE YIELD FT³/SX) (ANNULAR HEIGHT FT/FT³) (#SX) (SF)

AVE YIELD = 1.66 FT³/SX (Based on volume weighted average yield of filler and neat slurries, Class "H", all production strings.)

AVE YIELD = 1.19 FT³/SX (Based on Class "C" Neat on surface and intermediate casing strings)

SF = 50% (Safety Factor)

Annular height based on Halliburton Cementing Table data, assuming OD hole equals drilled hole size.

EXHIBIT "D"
OFFSET LEASEHOLD OPERATORS

Read & Stevens, Inc.
P. O. Box 1518
Roswell, New Mexico 88201

ARCO Oil & Gas Company
P. O. Box 1610
Midland, Texas 79702

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88201

GRSJ Petroleum
Box 234
Loco Hills, New Mexico 88255

Yates Energy Corp.
Suite 1010, Sunwest Centre
Roswell, New Mexico 88201

Pennzoil Exploration & Production Co.
P. O. Box 2967
Houston, Texas 77252

Hudson & Hudson
616 Texas Street
Fort Worth, Texas 76102

SURFACE OWNER

Bureau of Land Management
Roswell District Office
1717 W. Second
Roswell, New Mexico 88201