

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

1. LEASE DESIGNATION AND SERIAL NO.
NM 0251099A

2. IF INDIAN, ALLOTTEE OR TRIBE NAME
INDIAN BASIN UNIT

3. UNIT AGREEMENT NAME
SMITH FEDERAL

4. NAME OR LEASE NAME, WELL NO.
SMITH FEDERAL 2

5. ADJ WELL NO.
30-015-29789

6. FIELD AND POOL, OR WILDCAT
INDIAN BASIN (U. PENN)

7. SEC., T., R., M., OR BLM.
AND SURVEY OR AREA
SEC. 11, T-22-S, R-23-E

8. COUNTY OR PARISH
EDDY

9. STATE
NM

10. TYPE OF WORK
DRILL ☒ DEEPEN ☐

11. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐

12. NAME OF OPERATOR
Marathon Oil Company

13. ADDRESS AND TELEPHONE NO.
P.O. Box 552 Midland, TX 79702 915/687-8327

14. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)
At surface
1465' FSL & 800' FWL
At proposed prod. zone
1465' FSL & 800' FWL

15. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
15 MILES NW OF CARLSBAD

16. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 1650'

17. NO. OF ACRES IN LEASE
640

18. NO. OF ACRES ASSIGNED
TO THIS WELL
640

19. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 1980'

20. PROPOSED DEPTH
7550'

21. ROTARY OR CABLE TOOLS
ROTARY

22. ELEVATIONS (Show whether DF, RT, GR, etc.)
3952' G.L.

23. APPROX. DATE WORK WILL START*
8/1/97

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48	40'	CONDUCTOR-REDIMIX TO SURFACE
12 1/4"	9 5/8"	36	1200' 400	800 - CIRCULATE
8 3/4"	7"	23.26	7550' 895	945 - CIRCULATE

MARATHON PROPOSES TO APPLY FOR NON-STANDARD LOCATION AND SIMULTANEOUS DEDICATION APPROVAL FOR THIS WELL.

SEE ATTACHED FOR DETAIL

Copy of 3160-3
General Form and
Special Instructions
Attached

NSL -

Permitted ID 1
NL or API
8-15-97

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone 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 Walter J. Duncan TITLE DRILLING SUPERINTENDENT DATE 7/10/97

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval 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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE 8-7-97

*See Instructions 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.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

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

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29789	Pool Code 79040	Pool Name Indian Basin Upper Pennsylvanian (Gas)
Property Code	Property Name SMITH FEDERAL	Well Number 2
OGRID No.	Operator Name MARATHON OIL COMPANY	Elevation 3952

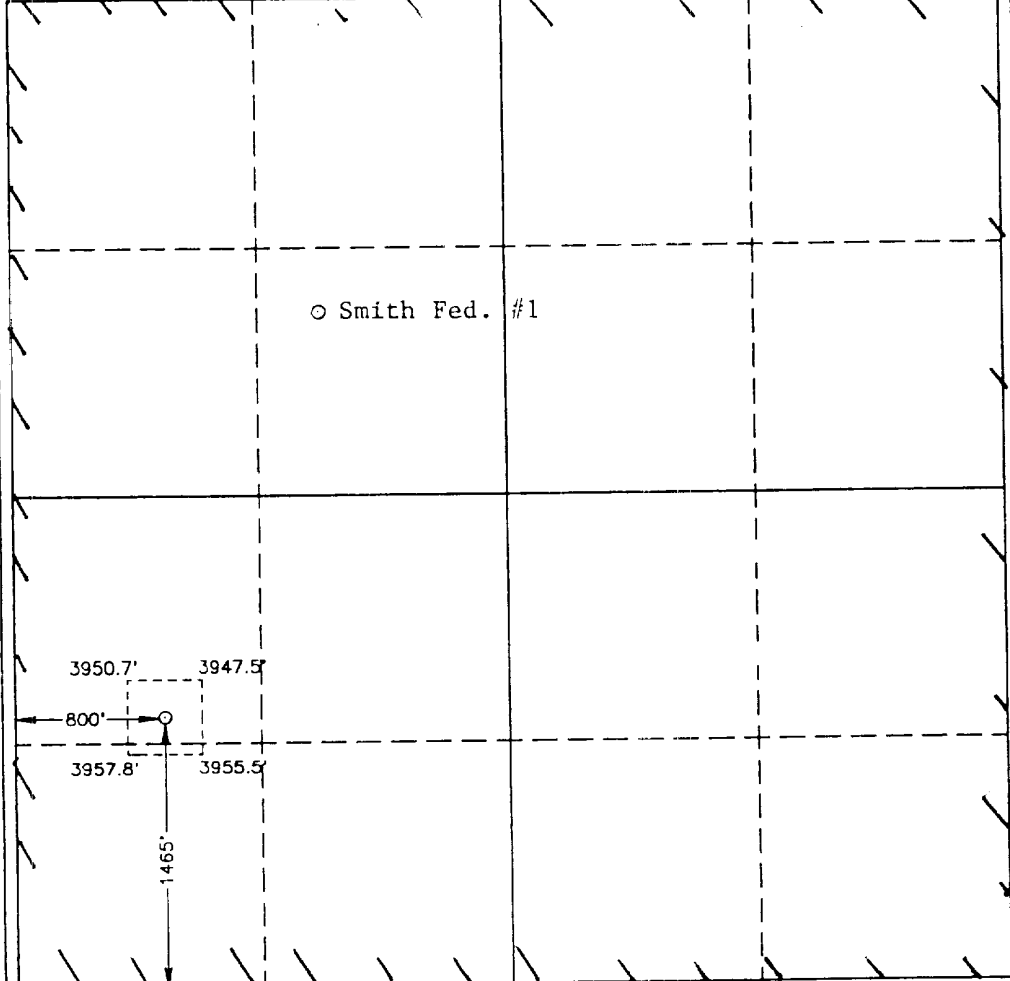
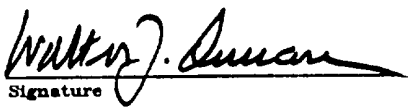
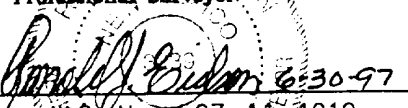
Surface Location

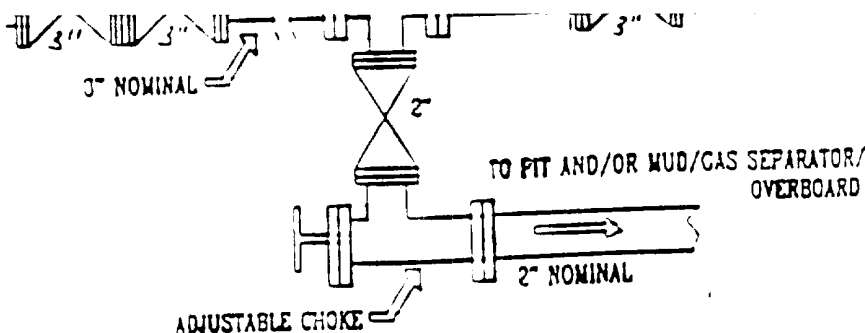
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	11	22 S	23 E		1465	SOUTH	800	WEST	EDDY

Bottom Hole Location if Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 640	Joint or Infill	Consolidation Code	Order No.						

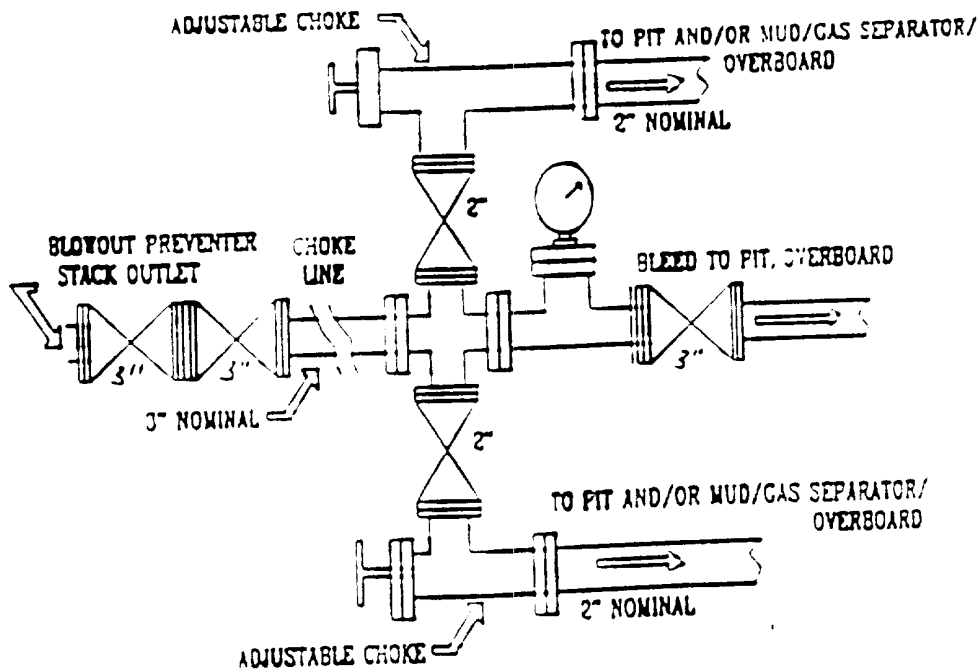
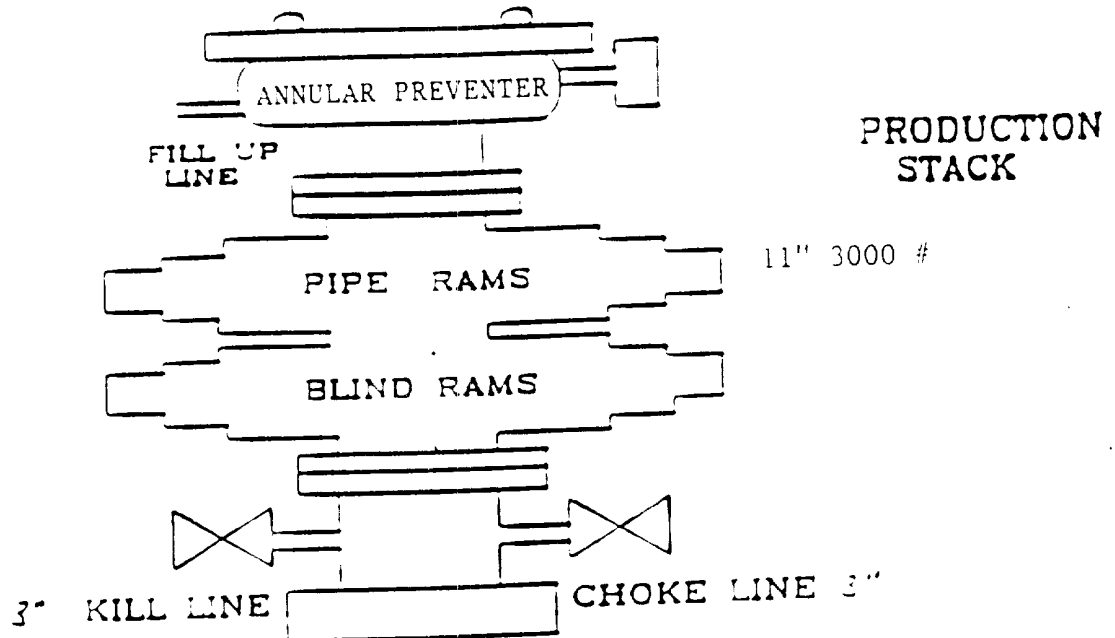
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature D. P. Nordt Printed Name Drilling Superintendent Title 7/8/97 Date
	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. JUNE 20, 1997 Date Surveyed Signature & Seal of Professional Surveyor  W.O. Num. 97-11-1019 Certificate No. JOHN H. WEST, 676 RONALD J. EIDSON, 3239 GARY G. EIDSON, 12641



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OF LAND MGMT.
OFFICE



2. WELL CONTROL SYSTEMS

A. Blowout Prevention Equipment

Equipment includes but is not limited to:

- a. pipe rams to accomodate all pipe sizes
- b. blind rams
- c. choke manifold
- d. closing unit

Auxillary equipment added as appropriate includes:

- a. annular preventor _____
- b. rotating head _____
- c. mud- gas separator _____
- d. flare line and means of ignition _____
- e. remote operated choke _____

B. Communication

The rig contractor will be required to have two-way communication capability. Marathon Oil Company will have either land-line or mobile telephone capabilities.

C. Mud Program

The mud program has been designed to minimize the volume of H₂S circulated to surface. Proper mud weight, safe drilling practices, and the use of H₂S scavengers when appropriate will minimize hazards when penetrating H₂S bearing zones.

D. Drill Stem Test intervals are as follows:

DST No. 1	_____ ft. to _____ ft.
DST No. 2	_____ ft. to _____ ft.
DST No. 3	_____ ft. to _____ ft.

Drill Stem Testing Safety Rules are attached.

III. WELL SITE DIAGRAM

A complete well site diagram including the following information is attached.

1. Rig orientation
2. Terrain
3. Briefing areas
4. Ingress and egress
5. Pits and flare lines
6. Caution and danger signs
7. Wind indicators and prevailing wind direction

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BUREAU OF LAND MGMT.
ROSWELL OFFICE



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

**SMITH FEDERAL #2
1465' FSL & 800' FWL
SEC. 11, T-22-S, R-23-E
EDDY COUNTY, NEW MEXICO**

9/9/97 MIRU MCVAY #7, SPUD 12 1/4" HOLE @ 12:30 HRS 9/10/97, DRILLED TO 1220'. RAN 28 JTS, 9 5/8" 36#, K-55, STC CSG TO 1220', SHOE @ 1219', FLOAT COLLAR @ 1177'. CEMENTED SURF CSG W/200 SX 'H' W/5 PPS GILSONITE, 1/4 PPS CELLO, WT-14.6, YIELD 1.51, FOLLOWED BY 435 SX 35:65 POZ W/6% GEL, 5 PPS GILSONITE, 1/4 PPS CELLO, 2% CACL₂, WT-12.4, YIELD 2.02. TAILED IN W/200 SX 'C' W/2% CACL₂, WT 14-8, YIELD 1.34. BUMPED PLUG, DID NOT CIRC CEMENT. RAN 1" TO 480' & PUMPED 225 SX CLASS 'C' IN 4 STAGES & CIRCULATED CMT.

CUT 9 5/8" CSG. INSTALLED 11" 3M X 9 5/8" SOW CSG HEAD, TESTED WELD TO 500 PSI. NU BOPE. TESTED BLIND & PIPE RAMS, CHOKE & KILL LINES, MANIFOLD, FLOOR VALVES AND MUD LINES TO 300/3000 PSI. TESTED ANNULAR TO 1500 PSI. TESTED CSG TO 1000 PSI.

RIH W/8 3/4" BIT, TAGGED CMT @ 1135'. DRILLED CMT TO 1195'. TESTED CSG TO 1000 PSI. DRILLED SHOE AND FORMATION TO 7280', TD @ 1300 HRS 9/24/97.

LOGGED WELL AS FOLLOWS: PLATFORM EXPRESS 7280-4000', CNL/GR/CAL TO SURFACE.

RAN 7" PRODUCTION CSG, 26#, K-55, LTC (2335'), 23#, K-55, LTC (4813'), 26#, K-55, LTC (137'). SHOE @ 7280', COLLAR @ 7186', CEMENTED PRODUCTION CSG W/700 SX, 65:35 POZ W/6% GEL, 5 PPS NACL, 3 PPS KOLSEAL, 1/4 PPS CELLO, WT-12.65, YIELD 1.98. TAILED IN S/150 SX 'C' W/3 PPS KOLSEAL, 1/4 PPS CELLO, WT-14.7, YIELD, 1.36. BUMPED PLLUG & CIRC'D 100 SX TO SURF. NU 11" 3M X 7/16" 3M TBG. SPOOL. TESTED SEALS TO 3000 PSI. RELEASED RIG @ 2400 HRS 9/25/97.

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