

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. USA-SF-080382-A	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME NIIP	
2. NAME OF OPERATOR Marathon Oil Company		7. UNIT AGREEMENT NAME Kutz Canyon	
3. ADDRESS OF OPERATOR P. O. Box 552 Midland, TX 79702		8. FARM OR LEASE NAME Schwerdtfeger C	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1600' FSL & 1355' FWL At proposed prod. zone 1600' FSL & 1355' FWL		9. WELL NO. 15-8	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10 miles South of Bloomfield		10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1600' FSL & 1355' FWL		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA K Sec 16, T27N, R11W	
16. NO. OF ACRES IN LEASE 2081.82		12. COUNTY OR PARISH San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 300'		19. PROPOSED DEPTH ±1980'	
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* July 1, 1989	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6254 6253.8' GR			

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.4  
and appeal pursuant to 43 CFR 3165.4.

PROPOSED CASING AND CEMENTING PROGRAM				DRILLING OPERATIONS AUTHORIZED ARE	
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SUBJECT TO COMPLIANCE WITH ATTACHED	
11"	8 5/8"	24#	250'	GENERAL REQUIREMENTS	
7 7/8"	5 1/2"	14#	1980'	175' sx Circ'd to Surface	
				300' sx Circ'd to Surface	

RECEIVED

JUL 2 1989

OIL CON. DIV.  
DIST. 3

Propose to drill no deeper than 1980'

All casing will be cemented in accordance with Regulations and by approved methods

Blowout Prevention Equipment will be as outlined in Additional Information

See attached Additional Information for specific drilling operations

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 R.W. Ziegler FOR SLA TITLE Drilling Superintendent DATE 5/23/87  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:OK  
C

\*See Instructions On Reverse Side

APPROVED  
AS A  
JUL 10 1989  
AREA MANAGER

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

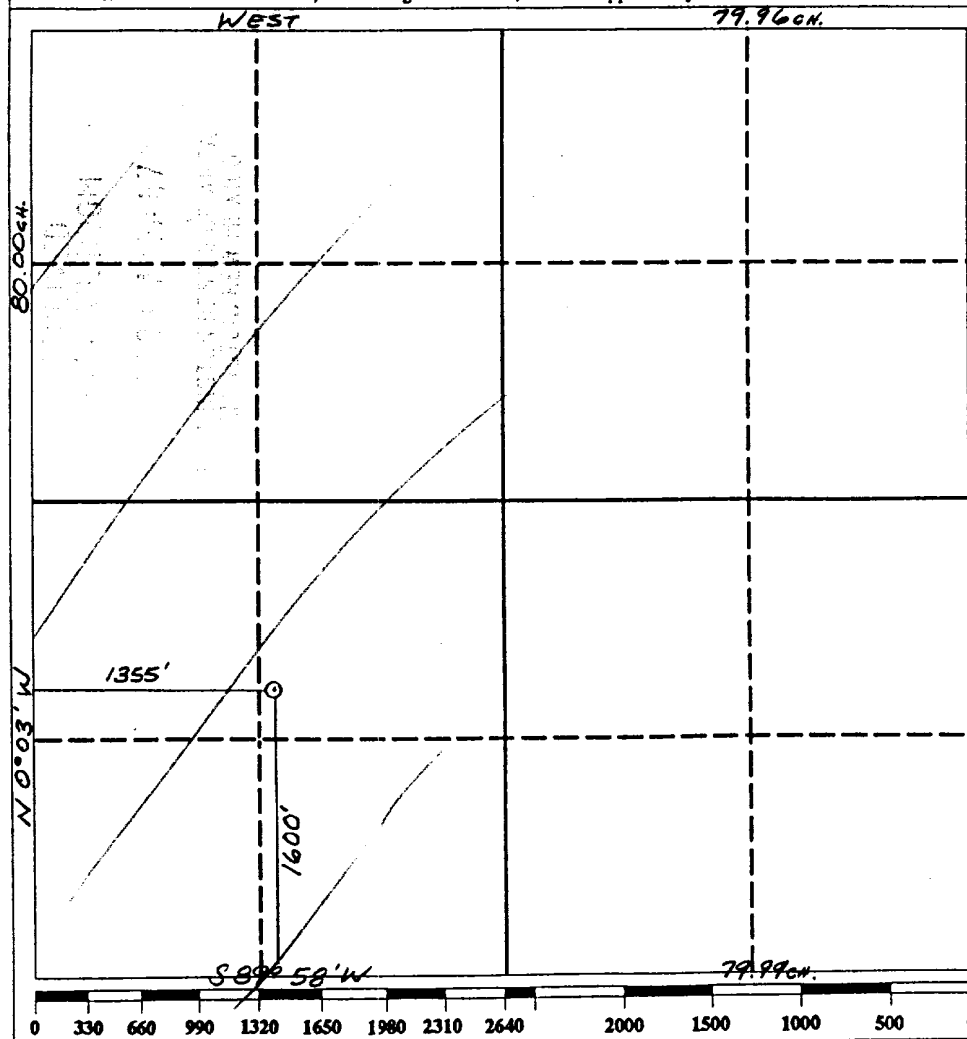
Operator <b>MARATHON OIL COMPANY</b>			Lease <b>SCHWERTFEGER C</b>		Well No. <b>15</b>
Unit Letter <b>K</b>	Section <b>16</b>	Township <b>27 N</b>	Range <b>11 W</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>1600</b> feet from the <b>South</b> line and <b>1355</b> feet from the <b>West</b> line					
Ground level Elev. <b>6254</b>	Producing Formation <b>Fruitland Coal</b>		Pool <b>Basin Fruitland Coal</b>		Dedicated Acreage: <b>320</b> Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>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.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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.</p>					
				<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief.</p> <p>Signature <i>R.W. [Signature]</i> FOR S.L.A.</p> <p>Printed Name <b>S. L. Atnipp</b></p> <p>Position <b>Drilling Superintendent</b></p> <p>Company <b>Marathon Oil Company</b></p> <p>Date <b>5/23/89</b></p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>Date Surveyed <b>5-10-89</b></p> <p>Signature &amp; Seal of Professional Surveyor <b>William E. Mahnke II</b></p> <p>Certification <b>8466</b></p>	

EXHIBIT "B"  
TOPOGRAPHIC MAP OF  
PROPOSED WELL SITE

