SUBMIT IN TRIPLICATE*

(Other instructions on

Form approved. Budget Bureau No. 42-R1425.

UNITED STATES reverse side) DEPARTMENT OF THE INTERIOR

<u> 30 - 045 - 23038</u>

| GEOLOGICAL SURVEY APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK | | | | | | NM-020501 | |
|---|---------------------------|---------------------|-----------------|----------------|------------------------------|--|---------------|
| APPLICATIO | N FOR PERMIT | TO DRILL, | DEEPEN, | OR PLUG | BACK | 6. IF INDIAN, ALLOTTE | OR TRIBE NAME |
| 1a. TYPE OF WORK DR. TYPE OF WELL | ILL 🔯 | DEEPEN | | PLUG BA | ACK 🗆 | 7. UNIT AGREEMENT N | AMB |
| WELL O | VELL OTHER | | SINGLE ZONE | MULT ZONE | | 8. FARM OR LEASE NAI | dr. |
| 2. NAME OF OPERATOR | | | 20112 | 2018 | | Ohio "C" Gov | arnment |
| Marathor | oil Company | | | | | 9. WELL NO. | |
| 3. ADDRESS OF OPERATOR | | | | | | 6 | |
| P. O. Bo | ox 2659, Casper | r. WY 82602 | | | | 10. FIELD AND POOL, O | R WILDCAT |
| 4. LOCATION OF WELL (H | deport location clearly a | nd in accordance wi | th any State re | equirements.*) | | 11/0,4 | |
| 1630' FSL & 1840' FWL, SW/4 NE/4 SW/4, Unit K | | | | | 11. SEC., T., R., M., OR I | Pictured Cliff | |
| | | | | | | Sec. 26, T28 | BN, R11W |
| 14. DISTANCE IN MILES | | | | | | 12. COUNTY OR PARISH | 13. STATE |
| 6 miles | south & 3/4 mi | le east of | Bloomfiel | ld, NM | | San Juan | New Mexico |
| 15. DISTANCE FROM PROP LOCATION TO NEARES PROPERTY OR LEASE I (Also to nearest dr) | T Line, et | 1650' | 16. No. OF A | CRES IN LEASE | 17. NO. (| NO. OF ACRES ASSIGNED TO THIS WELL 160 | |
| 18. DISTANCE FROM PROP | | e Item 3 on | 19. PROPOSED | | 20. ROTA | 20. ROTARY OR CABLE TOOLS ROTARY | |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5641 GL | | | | | 22. APPROX. DATE WOT 7-20-78 | RK WILL START* | |
| 23. | | PROPOSED CASIN | NG AND CEM | ENTING PROGE | RAM | · | |
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER F | 00T 81 | ETTING DEPTH | | QUANTITY OF CEMEN | т |
| 12-1/4" | 8-5/8" | 24# | | 225' | | 250 sacks | |
| 7-7/8" | 4-1/2" | 10.5# | | 1750' | | 220 sacks | |
| | | | | | | | |

Please see the following attachments:

- Surveyor's Plat
 Ten-Point Drilling Program
- 3. BOP Schematic
- Thirteen-Point NTL-6

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 pre 24.

| venter program, if any. | | ac vertical acptus. Give blowed |
|--|-----------------------------------|---------------------------------|
| BIGNED B. E. Gester | TITLE District Operations Manager | May 9, 1978 |
| (This space for Federal or State office use) | | |
| PERMIT NO. | APPROVAL DATE | |
| APPROVED BY | TITLE | DATE |
| | | |

oh Frank

All distances must be from the outer boundaries of the Section.

| Operator Lease | | | | • | | | Well No. |
|--------------------|--|-------------------|---------------------|---------------------------------------|-------------|-------------------|---|
| Marath | on Oil Compar | ıy | Ohio "C" Government | | | | 6 |
| Unit Letter | Section | Township | I | Range | County | | |
| K | 26 | 28 Nort | th | II West | Sä | an Juan | |
| Actual Footage Loc | ation of Well: | | | | | | |
| 1630 | feet from the | South lin | ne and 18 | 40 fee | t from the | West | line |
| Ground Level Elev. | Producing For | mation | Pool | Nes- | | Dedi | cgted Acreage; |
| 5641 | Pictur | ed Cliffs | | cher Kutz Pi | ctured C | :]iffs | 640 Acres |
| 1. Outline th | e acreage dedica | ted to the subj | | | | | at below, |
| | nan one lease is nd royalty). | dedicated to th | e well, outl | ine each and ide | ntify the o | wnership thereo | of (both as to working |
| | 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc? | | | | | | |
| Yes | No If ar | nswer is "yes;" | type of cons | olidation | NA | | |
| | | | | | | | |
| If answer | is "no," list the | owners and trac | t descriptio | ns which have ac | tually bee | n consolidated. | (Use reverse side of |
| this form i | f necessary.) | | | · · · · · · · · · · · · · · · · · · · | | | ······································ |
| No allowai | ble will be assigne | ed to the well ur | itil all inter | ests have been c | onsolidate | ed (by communi | tization, unitization, |
| | | | | | | | oved by the Commis- |
| sion. | | | | Ü | | • • • | , |
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| | 1 | | | | | I hereby certify | that the information con- |
| | · . • • • • • • • • • • • • • • • • • • | | | 1 | | tained herein is | true and complete to the |
| i | 1 | | | | | best of my know | vledge/and belief. |
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| L | · | | | -1 | | Name | |
| | 1 | | | 1 | | J. F. Wir | 'th |
| | | | | 1 | | Position | C |
| | , | | | i | 1 | | Superintendent |
| | | | | | . | Company | Odl Company |
| | , | | | | | | Oil Company |
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MARATHON OIL COMPANY

Orilling Operations Plan
Ohio "C" Gov't. #6
Section 26, T28N, R11W
San Juan County, New Mexico

1. Geologic name of surface:

Nacimiento (Tertiary)

2. Estimated tops of important geologic markers:

| Est. K.B. | | 5,680¹ |
|-----------------|----------------|------------------------|
| Ojo Alamo | 580 ' , | (+5,100°) |
| Kirtland Shale | 605¹ | (+5,075 ¹) |
| Farmington Sand | 1,097' | (+4,583') |
| Fruitland Sand | 1,415' | (+4,265') |
| Pictured Cliffs | 1,605' | (+4,075') |
| Lewis Shale | 1,680 | (+4,000°) |
| T.D. | 1,750' | (+3,930') |

3. Estimated depths of anticipated water, oil, gas or other mineral bearing formations:

Farmington 1,097' - Gas and water flow Fruitland 1,415' - Gas Pictured Cliffs 1,605' - Gas

No other mineral bearing formations are anticipated.

4a. The casing program including the size, grade, weight, whether new or used, and a setting depth of each string:

| Min. Hole Size | Casing 0.D. | Grade | <u>Weight</u> | Setting Depth | New or Used |
|-------------------|-------------|-------|---------------|------------------|----------------|
| 12-1/4" | 8-5/8" | K-55 | 24# | 225 | New |
| 7-7/8" | 4-1/2" | K-55 | 10.5# | 1,750' | New |

Drilling Uperations Program Page Two

4b. The cementing program including type, amounts, and additives:

8-5/8" Surface Casing: Equip with guide shoe, insert float, and three centralize Cement to surface with 250 sacks of API Class "B" cement

with 2% CaCl2.

4½" Production Casing: Equip with a float shoe, baffle collar, and 10 centralize Cement to surface with 220 sacks "Light" filler cement fo by approximately 220 sacks of Class "B" cement with 10% sa

All cement to contain 0.5% friction reducer and 2% CaCl₂.

B.O.P. specification and testing: (see the attached schematic diagram for size and pressure ratings):

2,000 psi WP hydraulic double ram preventer with blind rams and drill pipe rams. Operation to be checked daily.

Test Hydraulic Operations

| ВОР | Pressure | Time | Remarks |
|----------|-----------|------------|--|
| Ram Type | 1,000 psi | 30 minutes | Test before drilling out surface casing. |

6. Mud program and anticipated pressures:

| <u>From</u> | | Type Mud | Weight | % 0il | Water Loss |
|-------------|----------------|--------------------|---------------------|--------------------|--|
| 0' 225' | 225' 1,350' | Native Gel-Chem | 8.5-9.0 9.5-10.0 | | y to weight up to gas kicks are en- |
| 1,350' | TD | Gel-Chem | 10.0-11.0 | counter vis. 40 | ed) |

Type of drilling tools and auxiliary equipment:

Normal.rotary tool operation requires:

- Drill time and pipe weight to be recorded on a geolograph or equivalent instrument from surface to TD.
- 2. Single shot survey instrument.
- 3. Desilter or desander.

| Drilling | Operations | Program |
|-----------|------------|---------|
| Page Thre | ee | |

| 76 | Dov | ist | ion | Cor | itrol | |
|-----|------|------|-----|-----|------------|--|
| / D | HPV: | 181. | 101 | COL | 1 L.T.O. I | |

| From | To | Maximum Deviation Between Surveys | Maximum Deviation From Vertical | Maximum Chang Per 100' of De |
|------|------|--------------------------------------|---------------------------------|---------------------------------|
| 01 | 2251 | 100' | 10 | . 1° |
| 2251 | 5001 | 500 ' | 3 ⁰ | 10 |

8. Sample, logging, testing, and coring program:

Open Hole Logs: CNL/FDC/CAL/GR, DIL from TD to surface.

Cased Hole Logs: GR/CCL/CBL from PBTD to surface casing.

9. Anticipated abnormal pressures or temperatures:

Gas and water flows possible in Farmington Sand with 10 ppg mud.

Estimated top of Farmington is 1,097'— Maximum expected pressure is 670 psi. Normal temperature gradient is expected.

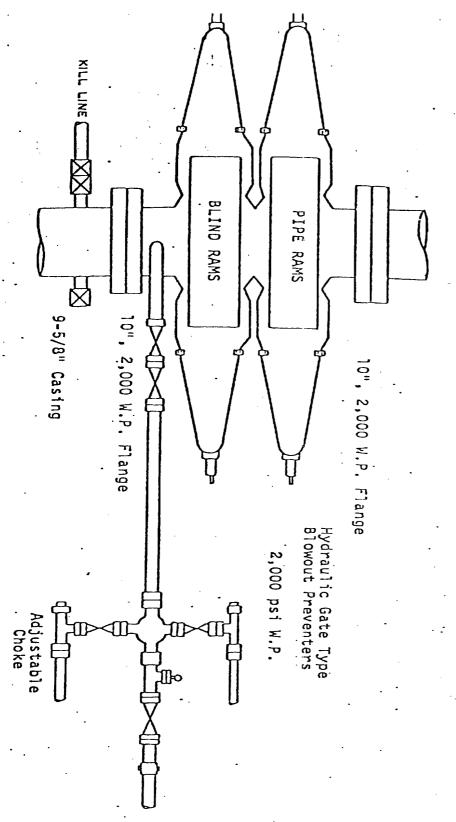
10. The anticipated starting date and duration of operation:

| Starting | Date:_ | 7-20-78 | |
|-----------|--------|---------|--|
| | • | | |
| Duration: | | 5 days | |

| DISTRICT APPROVALS | | |
|--------------------|-------------|--|
| Approved | <u>Date</u> | |
| M. E. O.Kufe | 4/12/18 | |
| Al hasolina | 4/12/78 | |
| Proposul | 4-14-78 | |
| Fish | 5-9-78 | |
| of factories | | |

| DIVISION APPROVALS | | • ,• | |
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| Approved | • | Date | |
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OHIO "C" GOVERNMENT #6
SEC. 26, T28N, R11W
SAN JUAN COUNTY, NEW MEXICO



fittings must be in good condition. Use new API Seal Rings.

- All fittings (gates, valves, etc.) to be of equivale pressure rating as preventers. Valves to be flanged and at least 2" unless otherwise specified. Valves next to BOP to be plug type and nominal 3".
- Equipment through which bit must pass shall be as large as the inside diameter of the casing that is being drilled through.
- . Safety valve must be available on rig floor at all times and with proper connections. The I.D. of safety valve should be as great as I.D. of tool ioi. of drill pipe.
- Kelly safety valve installed, same working pressure BOP's.
- All lines and controls to preventers must be connect and tested before drilling out of surface pipe.
- BOP's must be fluid operated, complete with accumulation trois may be either on floor or ground near steps from rig floor.
- 8. Fillup line tied to drilling nipple, the connection must be below and approximately 90° to the flow line.
- Gauge will be installed for testing but removed while drilling.
- 10. Spool not required, but when side outlet on BOP's 1s used, it must be below bottom ram.
- 11. Casinghead and casinghead fittings to be furnished be Marathon Oil Company.
- 12. Chokes will be adjustable.
- One side of casinghead may be bull plugged.

Surface Use and Operations Plan Page Two

5. Location and Type of Water Supply:

The water supply will come from the San Juan River near Bloomfield, New Mexico and hauled to the wellsite by a Jobber.

6. Source of Construction Materials:

All construction materials for this location and access road are to be materials accumulated during construction of the location and access road. No additional construction materials from other sources are anticipated.

7. Waste Disposal Handling:

Drill cuttings will be covered after the reserve pit is dried up. All liquid drilling waste will be stored in the reserve pit. All burnable trash will be burned in a suitable burn pit with a steel screen across the pit. Any produced fluids will be caught in a test tank. All non-burnable refuge will be buried to a depth of 5' upon completion of drilling and completion of operations. A sanitation facility will be provided. There are no plans to line the reserve pit. Immediately upon completion of the well, the location will be policed and all waste materials will be picked up.

8. Ancillary Facilities:

There will be no proposed camps or airstrips at the location. There will be one small house trailer to be used by drilling supervisors. These are shown on the attached map.

9. Well Site Layout:

A cross section of the drill pad is shown on the attached schematic. Location of mud tanks, reserve pit, trash burn pit, pipe racks, living facilities, soil materials and stockpiles are shown on the attached schematic. The rig will face the north with the reserve pit to the west. Parking area will be on the east side. The access road will be from the north. The location will require a maximum cut of 1' at the wellbore.

MARATHON OIL COMPANY

Surface Use and Operations Plan

Ohio "C" Government #6 Sec. 26, T28N, R11W San Juan County, New Mexico 5641' GL

1. Existing Roads:

Highway south from Bloomfield, NM for 3 miles. There is a gate cut in the highway fence on the east side in Sec. 15. Go southeast for $2\frac{1}{4}$ miles, then due south for 1/16 mile.

2. Access Road:

The attached map shows the new access road, which will be approximately 1/16 mile long and 14' wide. Maximum grade will not exceed 3%. There will be no culverts, gates, turnouts, cattle guards, or fence cuts. The road will be staked. Rehabilitation will consist of requirements by BLM.

3. Location of Existing Wells:

See attached sheet.

4. Location of Production Facilities and Service Lines:

Marathon Oil Company does not own or operate any oil or gas gathering lines, injections lines, or disposal lines within a 1 mile radius of the well.

The proposed well will have one tank, one two stage separator, and a 10' square by 6' deep water disposal pit. The water disposal pit will be fenced. The gathering line will be laid by the purchaser to their line.

The reserve pit will be fenced on three sides while drilling and the 4th side will be fenced after the rig moves off. The reserve pit and unused parts of the location will be graded back to contour and seeded as recommended by BLM.

All above ground equipment will be painted a color that closely matches the Federal Standard #595-36357 (Sage Gray).

10. Plan for Restoration to Surface:

Upon completion of this well those areas not needed for any possible production equipment will be backfilled, leveled, contoured and the topsoil replaced. The area will be reseeded according to BLM's recommendations. At the time of rig release the reserve pit will remain fenced until proper cleanup can be made. Any oil on the reserve pit will be removed. Rehabilitation will be completed by the fall of 1979.

11. Other Information:

The attached archaeological report covers all aspects of the surface characteristics and grants clearance to construct the location and short road, which will not disturb any cultural resources.

In the immediate area there are no known occupied dwelling, archeaological, historical, cultural sites, shallow water wells, or creeks.

12. Representatives:

Marathon Oil Company's representative who is responsible for compliance with the approved surface and operation plan is:

James F. Wirth
Drilling Superintendent
Marathon Oil Company
P. O. Box 2659
Casper, WY 82602
1-(307)-265-7693

13. Certification:

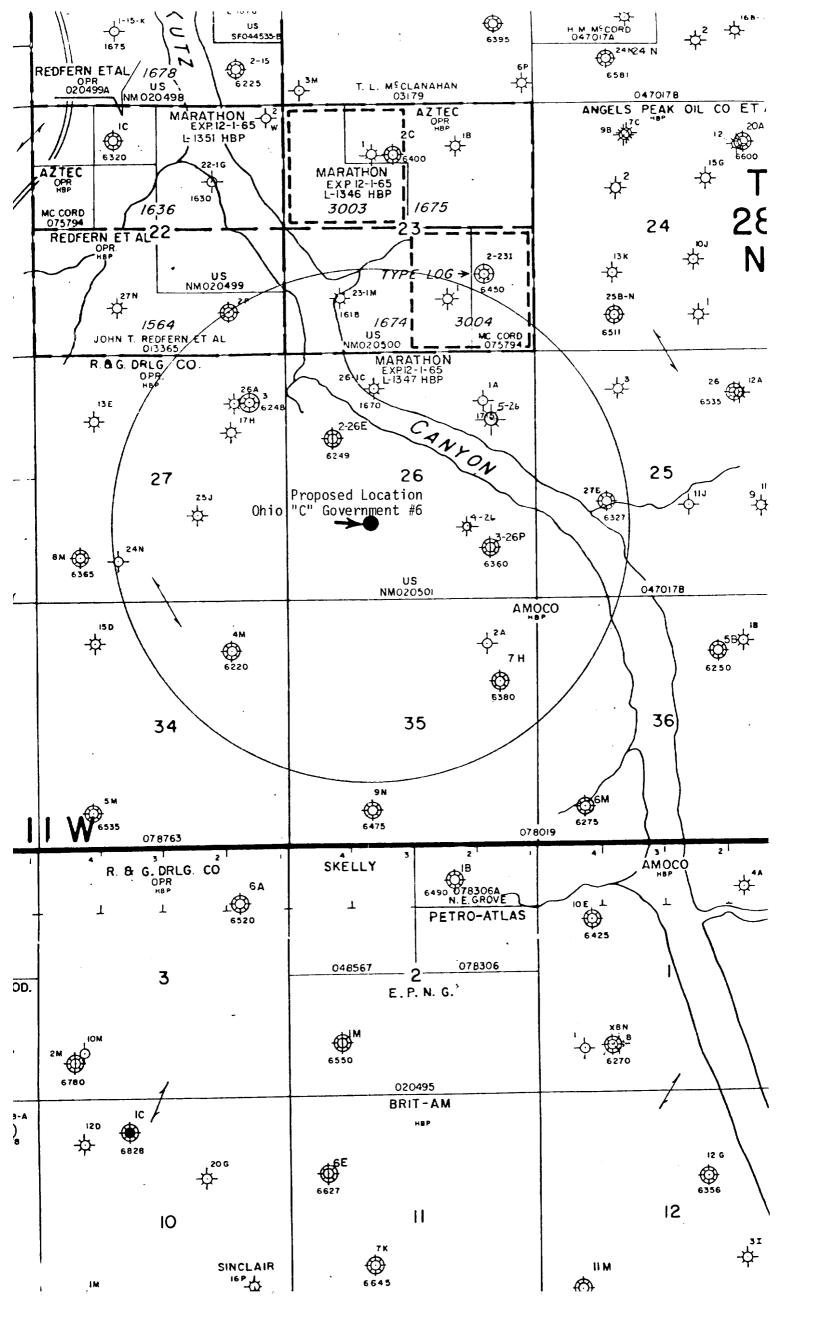
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Marathon Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

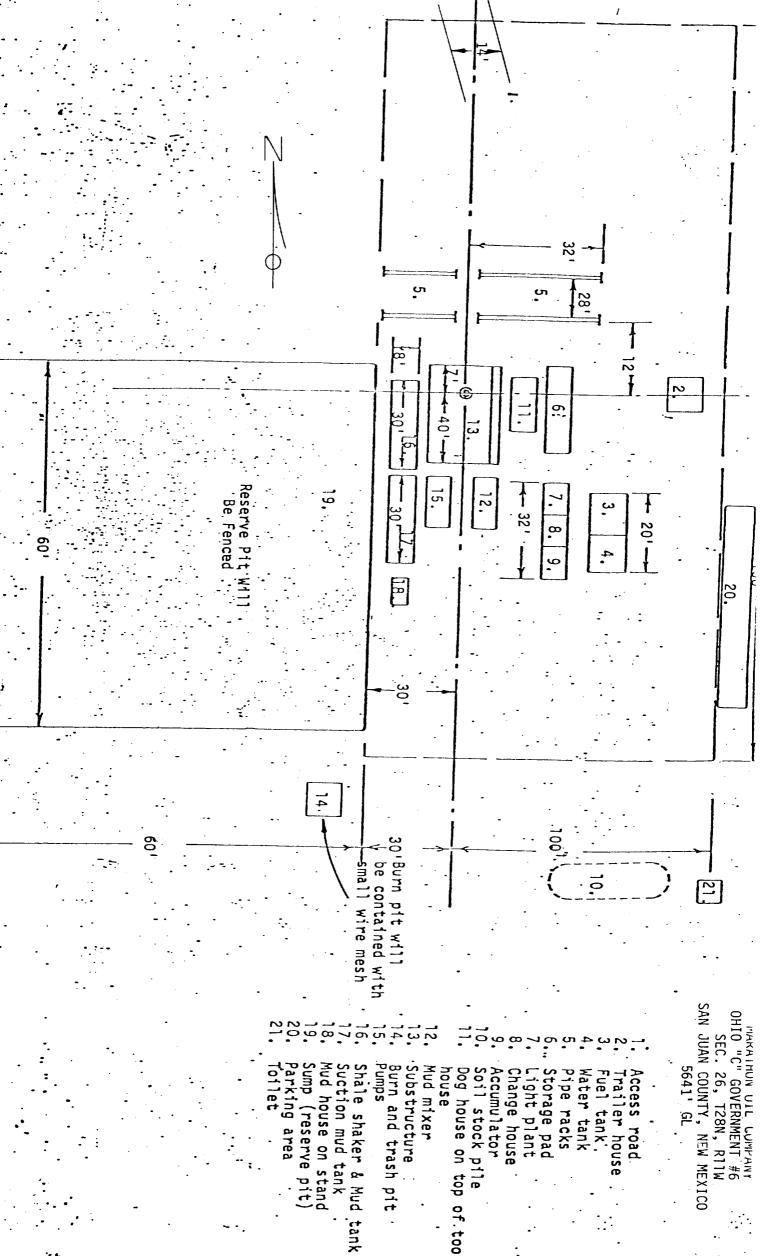
May 9, 1978

Drilling Supt.

OFFSETS TO THE PROPOSED #6, KUTZ CANYON (1-MILE RADIUS)

| 1) | Energy Reserves Group, Inc Pipkin #7-H . | Dakota | Sec. 35 |
|-----|---|-------------------------------|---------|
| 2) | Southern Union Prod Angel Peak B 27K | Dakota | Sec. 25 |
| 3) | Marathon Oil Company - Ohio "B" McCord #1 | P.C. | Sec. 23 |
| 4) | Marathon Oil Company - Ohio Gov't "B" #1 | Fruitland | Sec. 23 |
| 5) | Atlantic Richfield - Schlosser Fed 3-A | Dakota | Sec. 27 |
| 6) | R & G Drilling Corp - Schlosser 26-A | Fruitland | Sec. 27 |
| 7) | R & G Drilling Corp - Schlosser 17-A | Farmington | Sec. 27 |
| 8) | R & G Drilling Corp - Schlosser 25-J | Farmington | Sec. 27 |
| 9) | R & G Drilling Corp - Schlosser 24-N | P.C. | Sec. 27 |
| 10) | Atlantic Richfield - Schlosser Fed 4-A | Dakota | Sec. 34 |
| 11) | Marathon Oil Company - Ohio "C" Gov't #1 | Fruitland | Sec. 26 |
| 12) | Marathon Oil Company - Ohio "C" Gov't 2-26E | Dakota | Sec. 26 |
| 13) | Marathon Oil Company - Ohio "C" Gov't 3-26P | Dakota | Sec. 26 |
| 14) | Marathon Oil Company - Ohio Gov't #4-26 | P.C. | Sec. 26 |
| 15) | Marathon Oil Company - Ohio Gov't #5-26 | PC & Fruitland | Sec. 26 |



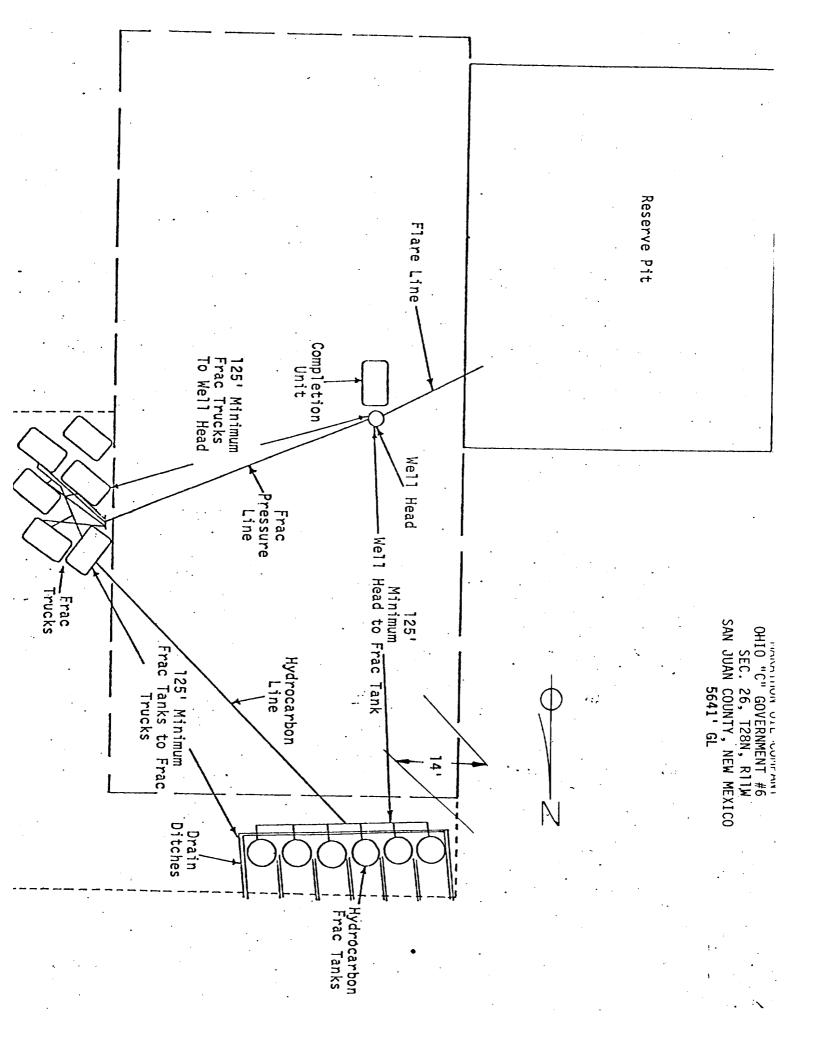


SAN JUAN COUNTY, NEW MEXICO O "C" GOVERNMENT #6 SEC. 26, T28N, R11W

Change house Accumulator Soil stock pile Pipe racks Storage pad Light plant Dog house on top of tool Water tank uel tank

PROPOSED PRODUCTION FACILITIES

OHIO "C" GOVERNMENT #6
SEC: 26, T28N, R11W
SAN JUAN COUNTY, NEW MEXICO
5641' GL



46 0663

10 X 10 TO THE INCH • 2 Y TO THE INCH • 2 Y TO