

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MARATHON OIL CO 5555 SAN FELIPE ST HOUSTON , TX 77056		2. OGRID Number 14021
		3. API Number 30-025-37753
4. Property Code	5. Property Name SOUTH EUNICE 26 STATE	6. Well No. 004

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	26	22S	36E	J	2310	S	2310	E	LEA

8. Pool Information

Wildcat San Andres	0
Wildcat Grayburg	0
Wildcat Paddock	0

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3482
14. Multiple Y	15. Proposed Depth 6000	16. Formation San Andres Formation	17. Contractor	18. Spud Date 4/8/2006
Depth to Ground water 60	Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000	
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 2000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	11	8.625	24	1250	750	0
Prod	7.875	5.5	15.5	6000	1200	0

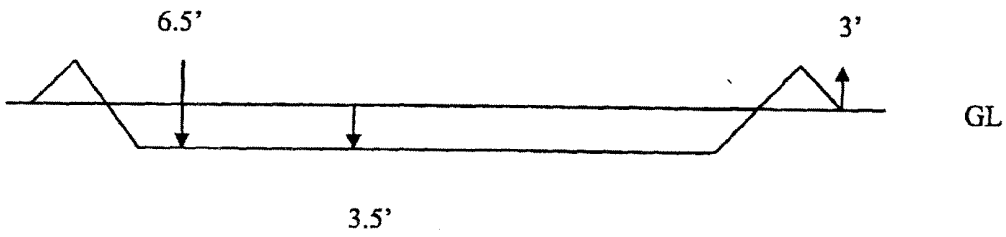
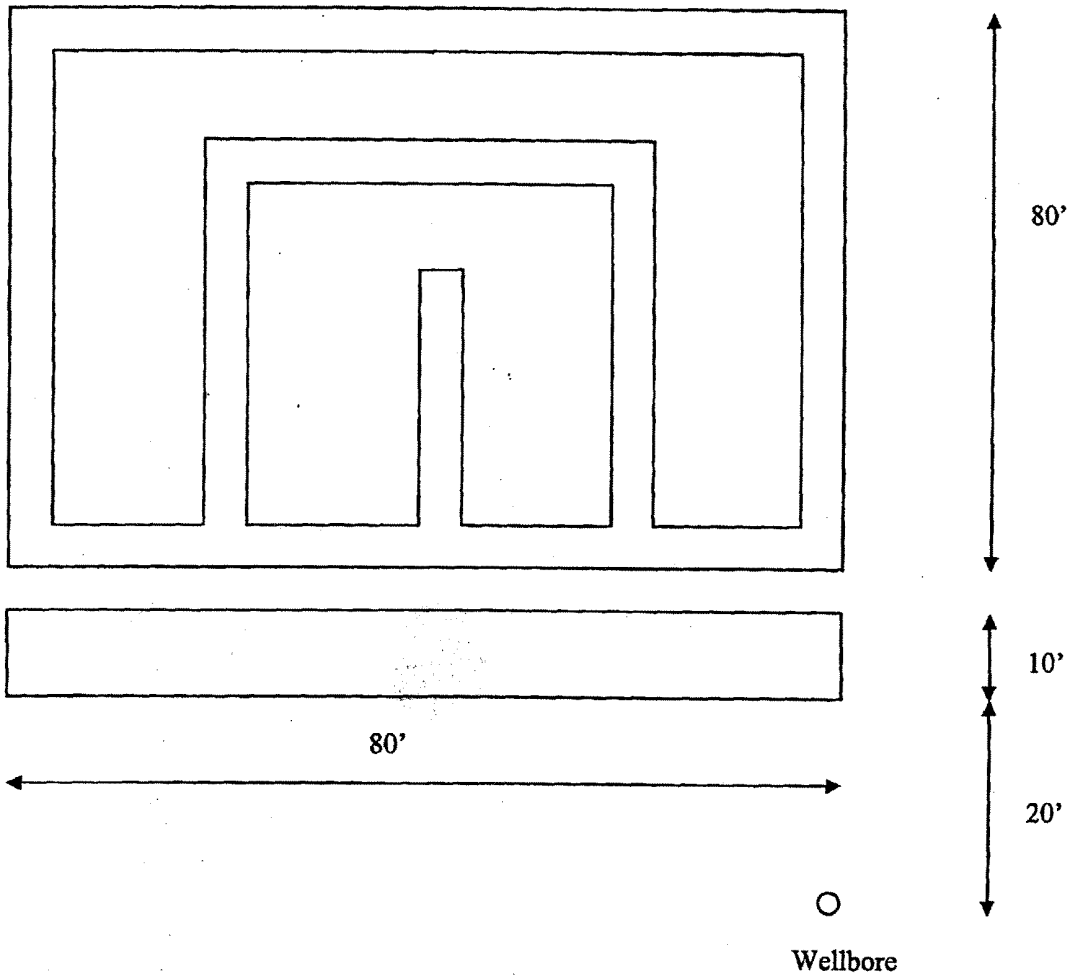
Casing/Cement Program: Additional Comments

Surface cement- 750 sks. Class C w/ 2% CACL, 1.34 yield, 14.8 ppg. wt.. Cement production casing- Lead- 800 sks., Interfill C, yield 2.52, 11.8 ppg. wt. Tail- 400 sks. Class H w/ Thirotropic & gilsonite, 1.31 yield, 14.2 ppg. wt.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Chris Williams	
	Title: District Supervisor	
	Approved Date: 3/15/2006	Expiration Date: 3/15/2007
	Printed Name: Electronically filed by Charles Kendrix	
	Title: Engineering Technician	
Email Address: cekendrix@MarathonOil.com		
Date: 3/15/2006	Phone: 713-296-2096	Conditions of Approval Attached



State of New Mexico

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name	
			WILDCAT SAN ANDRES (OIL)	
Property Code	Property Name			Well Number
35241	SOUTH EUNICE STATE 26			4
OGRID No.	Operator Name			Elevation
14021	MARATHON OIL COMPANY			3482'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	26	22-S	36-E		2310	SOUTH	2310	EAST	LEA

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	Joint or Infill	Consolidation Code	Order No.
40			

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

<p>GEODETC COORDINATES NAD 27 NME</p> <p>Y=497084.7 N X=839301.3 E</p> <p>LAT.=32°21'42.53" N LONG.=103°14'04.15" W</p>	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>3/15/06 <i>Frank M Krugh</i> Signature Date</p> <p>FRANK M KRUGH Printed Name</p> <p>Reg. Comp. Rep. III</p>
	<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>FEBRUARY 14, 2006</p> <p>Date Surveyed DSR</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Gary B. Eidson 2/23/06</i> 06.11.0295</p>
	<p>Certificate No. GARY EIDSON 12641</p>

State of New Mexico
Energy, Minerals and Natural Resources

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-37753	2. Pool Code	3. Pool Name Wildcat Grayburg
4. Property Code	5. Property Name SOUTH EUNICE 26 STATE	6. Well No. 004
7. OGRID No. 14021	8. Operator Name MARATHON OIL CO	9. Elevation 3482

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	26	22S	36E		2310	S	2310	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code			15. 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

<table border="1"> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td style="background-color: gray; color: purple; text-align: center;">■</td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </table>											■						<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>E-Signed By: Charles Kendrix Title: Engineering Technician Date: 3/15/2006</p>
			■														
<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Gary Eidson Date of Survey: 2/14/2006 Certificate Number: 12641</p>																	

State of New Mexico

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name
			WILDCAT PADDOCK
Property Code	Property Name		Well Number
35241	SOUTH EUNICE STATE 26		4
OGRID No.	Operator Name		Elevation
14021	MARATHON OIL COMPANY		3482'

Surface Location

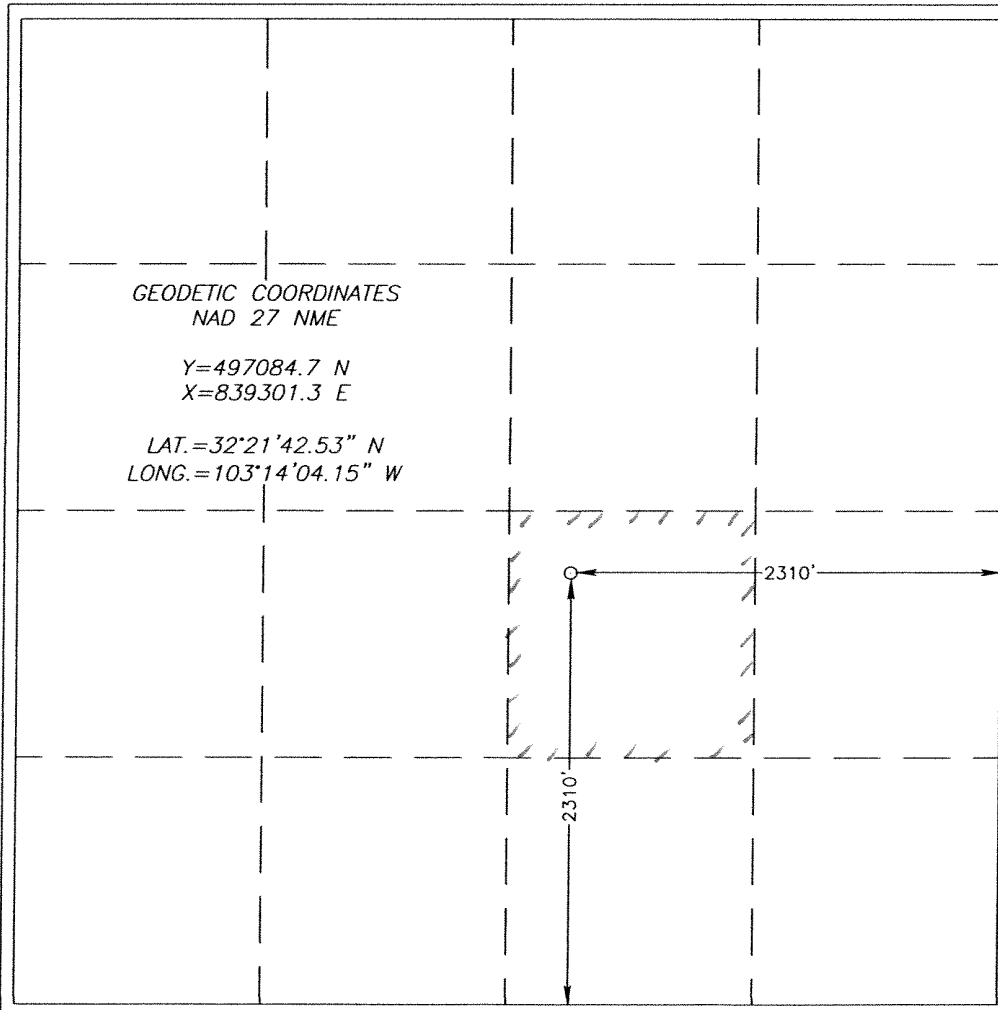
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	26	22-S	36-E		2310	SOUTH	2310	EAST	LEA

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	Joint or Infill	Consolidation Code	Order No.
40			

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

<p>GEODETTIC COORDINATES NAD 27 NME</p> <p>Y=497084.7 N X=839301.3 E</p> <p>LAT.=32°21'42.53" N LONG.=103°14'04.15" W</p> 	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Frank M Krugh 3/15/06 Signature Date</p> <p>FRANK M KRUGH Printed Name</p> <p>Reg. Comp. REP. III</p>
	<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>FEBRUARY 14, 2006 Date Surveyed DSR</p> <p>Signature & Seal of Professional Surveyor</p> <p>GARY H EIDSON 2/23/06 06.11.0295</p> <p>Certificate No. GARY EIDSON 12641</p>

Permit Conditions of Approval

Operator: MARATHON OIL CO , 14021

Well: SOUTH EUNICE 26 STATE #004

API: 30-025-37753

OCD Reviewer	Condition
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	Will require DHC administrative order for downhole commingling before multiple zones can be produced by commingling in the wellbore.