

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 30-025-37757
4. Property Code 35508	5. Property Name ES OWENS 26	6. Well No. 002

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	26	22S	36E	N	840	S	1650	W	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 Private	13. Ground Level Elevation 3491
14. Multiple Y	15. Proposed Depth 6000	16. Formation Paddock	17. Contractor	18. Spud Date 5/11/2006
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 miles 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

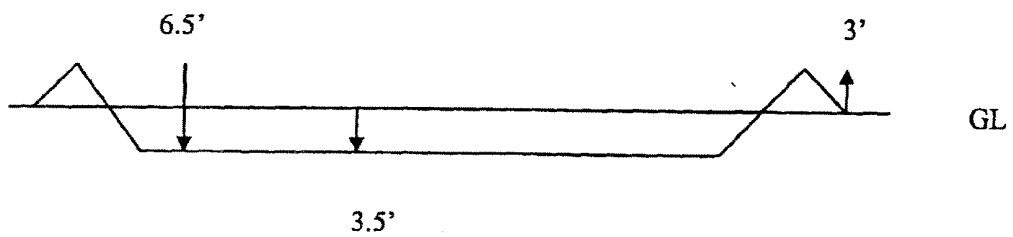
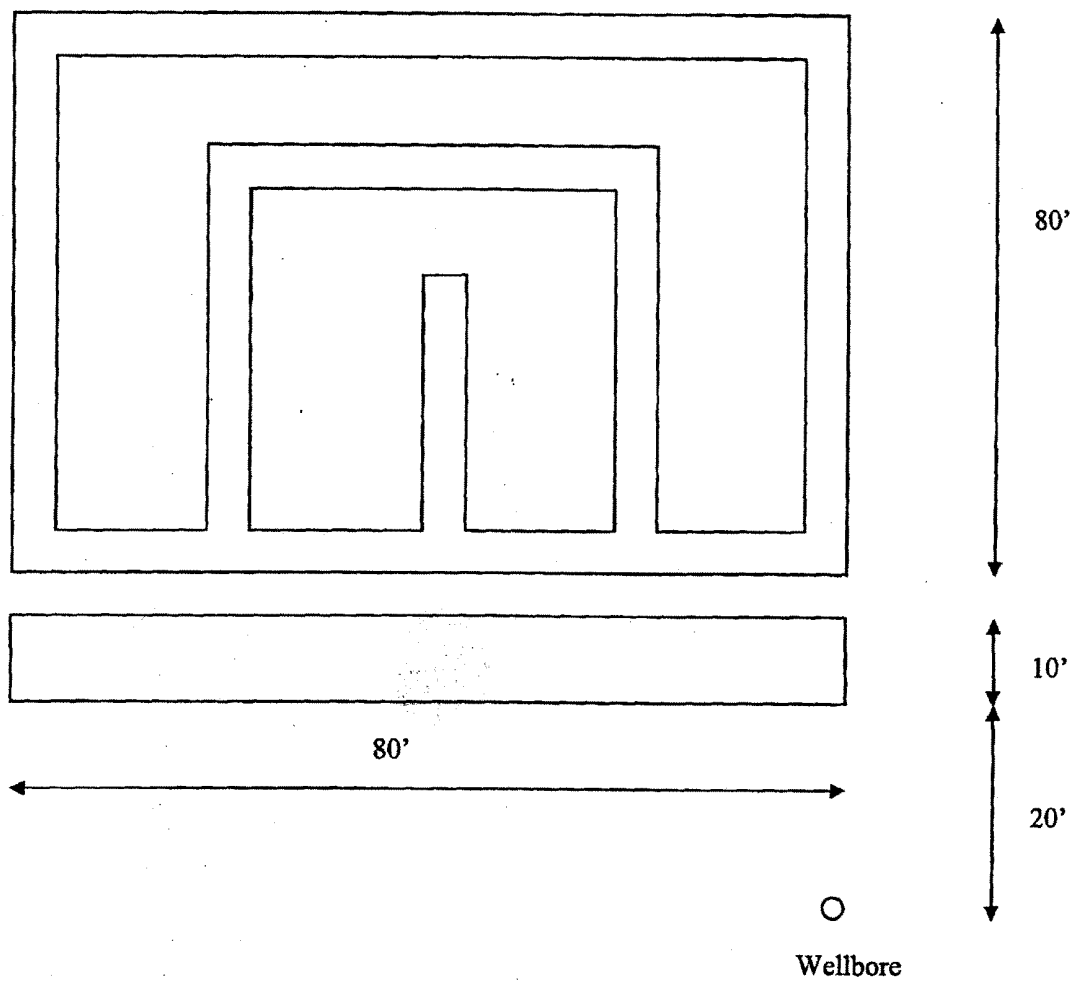
Casing/Cement Program: Additional Comments

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/ Thiotropic & 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 NMOC guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Charles Kendrix	Approved By: Paul Kautz	
Title: Engineering Technician	Approved Date: 3/16/2006	Expiration Date: 3/16/2007
Email Address: cekendrix@MarathonOil.com		
Date: 3/15/2006	Phone: 713-296-2096	Conditions of Approval Attached



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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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 <i>WILDCAT SAN ANDRES</i>
Property Code	Property Name E.S. OWENS 26	Well Number 2
OGRID No. <i>14021</i>	Operator Name MARATHON OIL COMPANY	Elevation 3491'

Surface Location

UL or lot No. N	Section 26	Township 22-S	Range 36-E	Lot Idn	Feet from the 840	North/South line SOUTH	Feet from the 1650	East/West line WEST	County LEA
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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 <i>40</i>	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

<div><p>GEODETIC COORDINATES NAD 27 NME</p><p>Y=495598.6 N X=837983.1 E</p><p>LAT.=32°21'27.96" N LONG.=103°14'19.69" W</p><p>1650'</p><p>840'</p></div>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Frank M Krugh</i> 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 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.</p> <p>FEBRUARY 14, 2006</p> <p>Date Surveyed DSR</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Gary H Edson</i> 2/23/06 06.11.0294</p> <p>Certificate No. GARY EDSON 12641</p>
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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name WILDCAT GRAYBURG
Property Code	Property Name E.S. OWENS 26	Well Number 2
OGRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 3491'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	26	22-S	36-E		840	SOUTH	1650	WEST	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 40	Joint or Infill	Consolidation Code	Order No.						

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☐ AMENDED REPORT

API Number	Pool Code	Pool Name <i>WILDCAT Paddock</i>
Property Code	Property Name E.S. OWENS 26	Well Number 2
OGRID No. <i>14021</i>	Operator Name MARATHON OIL COMPANY	Elevation 3491'

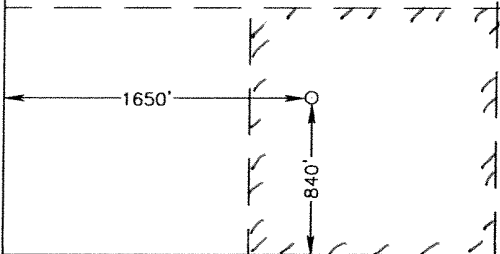
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Bottom Hole Location If Different From Surface

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Permit Conditions of Approval

Operator: MARATHON OIL CO , 14021

Well: ES OWENS 26 #002

API: 30-025-37757

OCD Reviewer	Condition
pkautz	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
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114
DMULL	Will require DHC administrative order for downhole commingling before multiple zones can be produced by commingling in the wellbore.