

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 30-025-37762
4. Property Code 35507	5. Property Name MCDONALD STATE A/C 1-15	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
F	15	22S	36E	F	2310	N	2260	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 State	13. Ground Level Elevation 3541
14. Multiple Y	15. Proposed Depth 6000	16. Formation Paddock	17. Contractor	18. Spud Date 5/28/2006
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

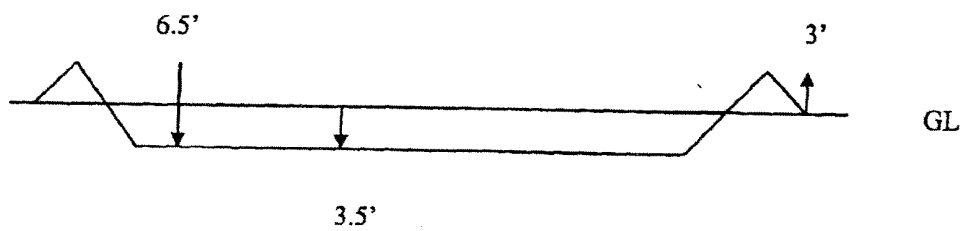
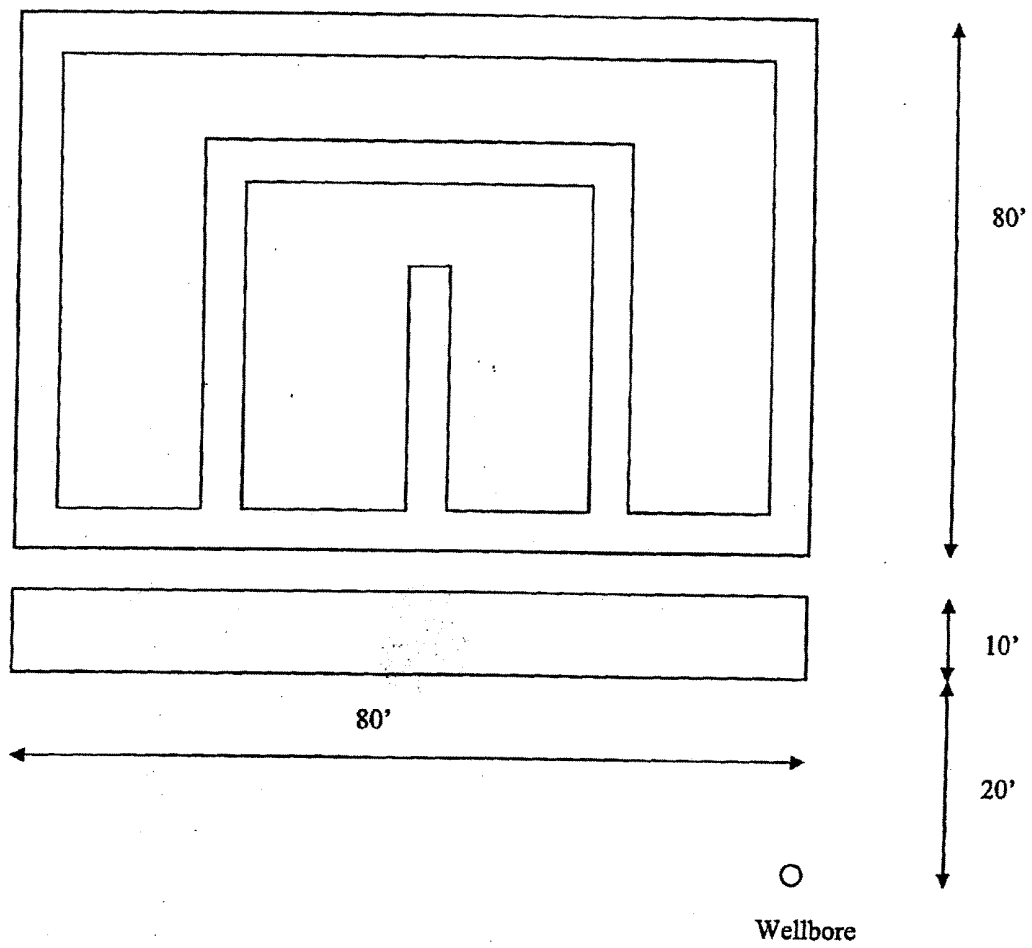
Casing/Cement Program: Additional Comments

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: 3/22/2006	Expiration Date: 3/22/2007
Email Address: cekendrix@MarathonOil.com		
Date: 3/22/2006	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

DISTRICT IV

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name WILDCAT SAN ANDRES
Property Code	Property Name McDonald State A/C 1-15	Well Number 2
OGRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 3541'

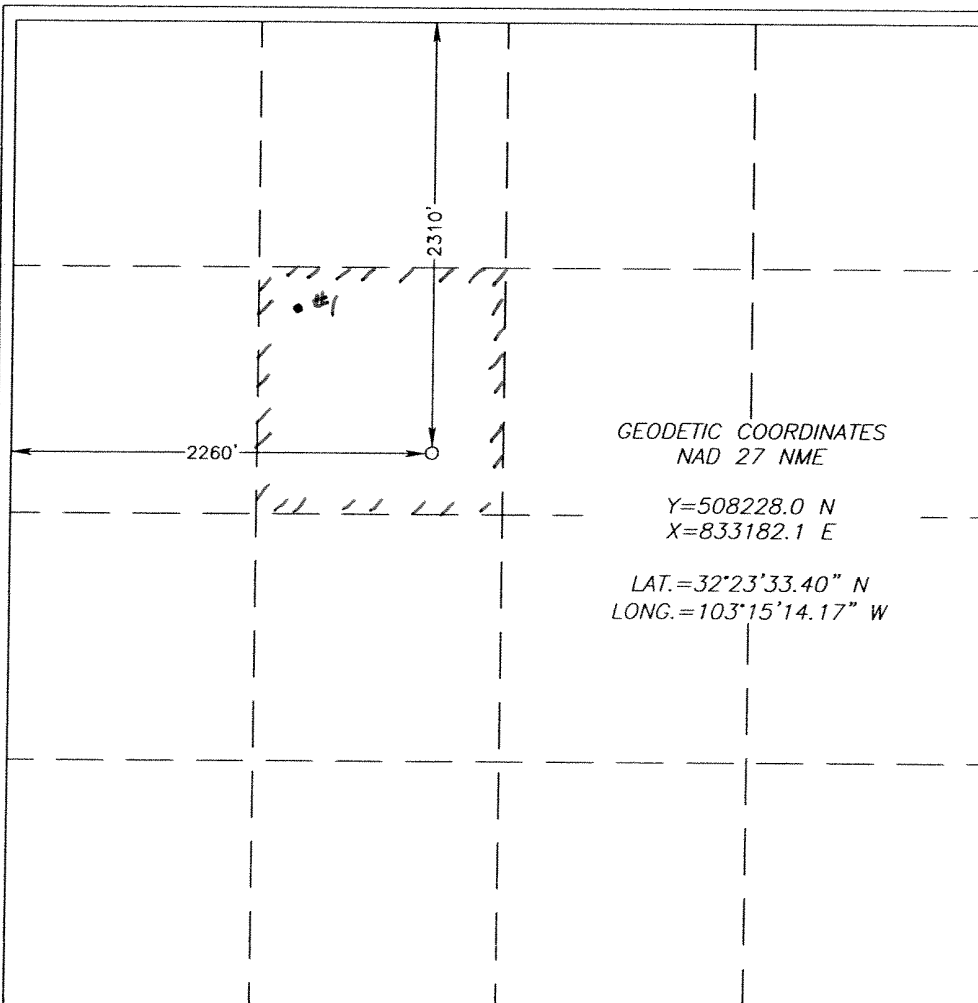
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	15	22-S	36-E		2310	NORTH	2260	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.						

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 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.

Frank M. Krugh 3/22/06
Signature Date

FRANK M. KRUGH
Printed Name

Reg. Comp. Rep. III

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.

FEBRUARY 14, 2006

Date Surveyed DSR

Signature & Seal of Professional Surveyor

Gary E. Edson 2/23/06
06.11.0300

Certificate No. GARY EIDSON 12641

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code	Pool Name WILDCAT GRAYBURG	
Property Code	Property Name McDonald State A/C 1-15			Well Number 2
OGRID No. 14021	Operator Name MARATHON OIL COMPANY			Elevation 3541'

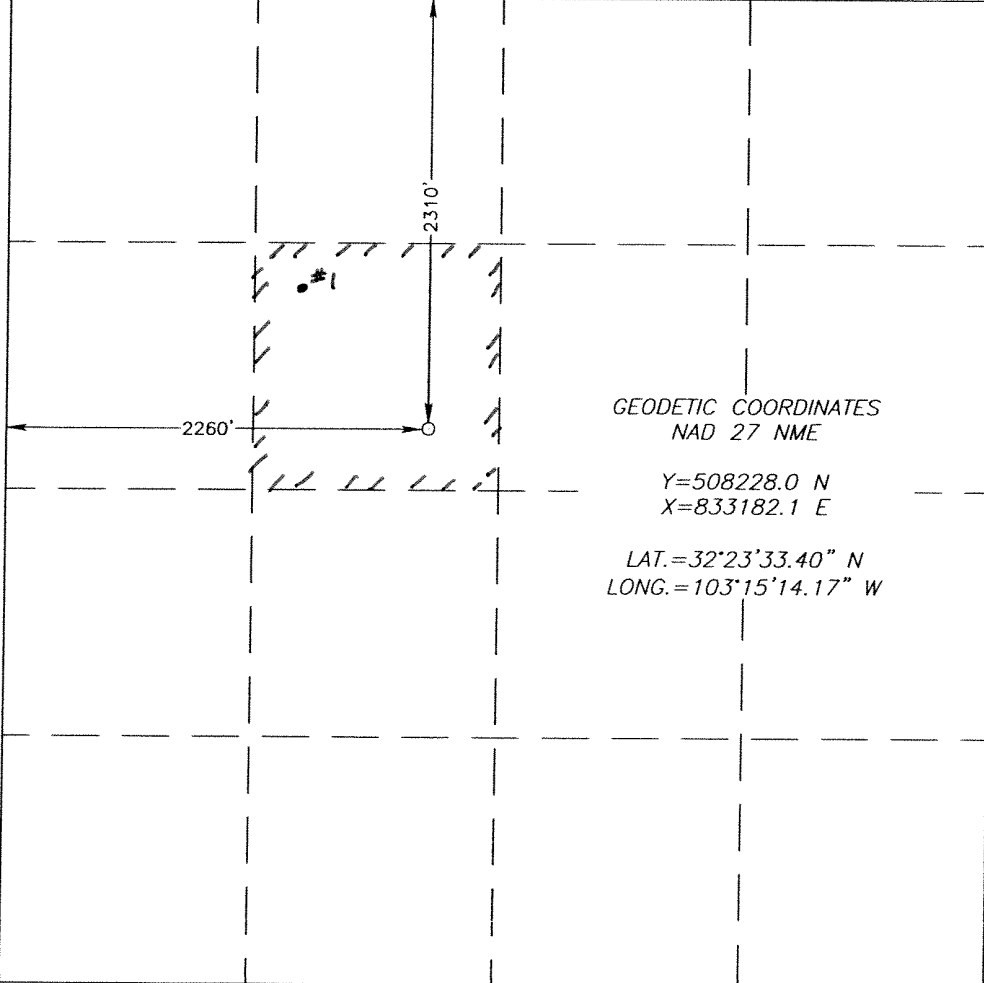
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	SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> FEBRUARY 14, 2006 Date Surveyed DSR Signature & Seal of Professional Surveyor GARY EIDSON 2/23/06 06.11.0300 Certificate No. GARY EIDSON 12641

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name WILDCAT PADDOCK
Property Code	Property Name McDonald State A/C 1-15	Well Number 2
OGRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 3541'

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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	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=508228.0 N X=833182.1 E</p> <p>LAT.=32°23'33.40" N LONG.=103°15'14.17" W</p>	<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> 3/22/06 Signature Date</p> <p>FRANK M. KRUGH Printed Name</p> <p><i>Reg. Comp. REP. III</i></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 E. Edson</i> 2/23/06 06.11.0300</p> <p>Certificate No. GARY EIDSON 12641</p>

Permit Conditions of Approval

Operator: MARATHON OIL CO , 14021

Well: MCDONALD STATE A/C 1-15 #002

API: 30-025-37762

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