		-			
DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



TPKacir & Marathon Oil. com

ADMINISTRATIVE APPLICATION CHECKLIST THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE **Application Acronyms:** [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication □ NSL □ NSP □ SD Check One Only for [B] or [C] change DHE 2717 Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [C] □ WFX □ PMX □ SWD □ IPI □ EOR □ PPR [D]Other: Specify __ [2] **NOTIFICATION REQUIRED TO: -** Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners [A][B] Offset Operators, Leaseholders or Surface Owner [C] Application is One Which Requires Published Legal Notice [D] Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office For all of the above, Proof of Notification or Publication is Attached, and/or, [E][F] Waivers are Attached [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE. CERTIFICATION: I hereby certify that the information submitted with this application for administrative [4] approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division. Note: Statement must be completed by an individual with managerial and/or supervisory capacity. Thomas P. Kacir Thomas P Kasur Production Engineer 9-5-01
Print or Type Name Signature Title Date

125330886

Production Operations, United States



August 31, 2001

Mr. David Catanach Oil Conservation Department **Energy and Minerals Department** P.O. Box 6429 Santa Fe. New Mexico 87505-6429

RE: Jicarilla Apache Well No. 11

Unit Letter M. 1040' FSL & 800' FWL

Section 28, T-26-N, R-5-W

Rio Arriba County, New Mexico

Request Change to DHC #2717 Blanco Mesaverde (Prorated gas - 72319) Otero Chacra (Gas - 82329)

Request Change to MC #1759 South Blanco Pictured Cliffs (Prorated gas - 72439) Blanco Mesaverde & Otero Chacra

Dear Mr. Catanach:

Marathon Oil Company requests administrative approval to change the production allocation on the DHC #2717 permit in the above subject well in Rio Arriba County, New Mexico. The pools to be down-hole commingled are Otero Chacra and the Blanco Mesaverde. This well will continue to be a dual completion but with the South Blanco Pictured Cliffs (Prorate gas – 72439) produced separately from the Chacra, Mesaverde.

Jicarilla Apache Well No. 11 was drilled and completed as a dual Dakota and Pictured Cliffs producer in 1967 (MC-1759). In September 2000, the Dakota perforations were abandon after an unsuccessful attempt to retrieve the packer. A 4-1/2" casing string was ran inside the 7-5/8" casing to isolate the Pictured Cliffs perforations. The Mesaverde and Chacra were then perforated, stimulated and tested. This well is now producing from the Pictured Cliffs up the casing casing annulus and the Chacra, Mesaverde up the tubing.

In April 2000, we received the DHC #2717 to Down-Hole Commingle the Dakota, Mesaverde, Chacra and Pictured Cliffs. After the work over we re-filed and received an amended order to Down-Hole Commingle the Mesaverde and Chacra, but Marathon did not allocate any oil production. A letter was sent by Marathon to allocate the oil production but had all four pools listed. We received approval for the oil allocation in March 2001 with all four pools showing up with gas allocations.

The down-hole commingle allocations are listed on the attachment. Enclosed is data supporting the change in pool production allocation for the down-hole commingling on Jicarilla Apache Well No. 11. If additional information is necessary or you have any questions, please contact me at (915) 687-8450.

Sincerely,

Thomas P. Kacir

Thomas Kaux

Production Engineer

Enclosure

Jicarilla Apache Well No. 11 Jicarilla Field

A: Operator

Marathon Oil Company P.O. Box 2490 Hobbs, New Mexico 88241

B: Lease Name and Well Number

Jicarilla Apache Well No. 11 Unit Letter M, 1040' FSL & 800' FWL Section 28, T-26-N, R-5-W Rio Arriba County, New Mexico Mesaverde, Chacra Pools

C: C-116's

Attached

D: Production Decline Curves

Decline Curve is Attached

E: Production Allocation

POOL	BOPD	MCFD	BWPD	Estimated Methods
Chacra	0	565	24	Workover Test
Chacra	0	261	0	Post-Workover Model with high casing
				pressure (only modeled gas)

POOL	BOPD	MCFD	BWPD	Estimated Methods
Chacra & Mesaverde	18	595	30	Post Workover test
Chacra	_0	<u> 261</u>	<u>11</u>	Post Workover Model
Mesaverde	18	334	19	(estimated water)

Allocated Percentages	Oil %	Gas %	Water %
Chacra	0	56	37
Mesaverde	100	44	_63
Total	100	100	100

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-107A Revised May 15, 2000

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fc, NM 87505

Oil Conservation Division 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

APPLICATION TYPE ___x_Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
___x_Yes____No

APPLICATION FOR DOWNHOLE COMMINGLING

Marathon Oil Company P.C	D. Box 2490	Hobbs, NM Ac	1 88241ddress					
Jicarilla Apache 11	Well No.		28, T-26-N, R-5-W			Arriba		
ease OGRID No. 14021 Property Co			039-08149	_		State Fee		
GRID No. 14021 Property Co.	0414	AFI No30-	039-06149	Lease Type	A rederat			
DATA ELEMENT	UPPER	ZONE	INTERME	DIATE ZONE	LOWER ZONE			
Pool Name	Blanco M	Mesaverde						
Pool Code	72319							
Fop and Bottom of Pay Section Perforated or Open-Hole Interval)	3714'	- 3739'		NA		4808' – 5126'		
Method of Production Flowing or Artificial Lift)		rial Lift ger lift)		NA		cial Lift ger lift)		
Notice: Pressure Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the lepth of the top perforation in the upper zone)	N	IA		NA	1	IA		
Oil Gravity or Gas BTU Degree API or Gas BTU)	11	20		NA	12	225		
Producing, Shut-In or New Zone	Prod	ucing		NA	Prod	ucing		
Date and Oil/Gas/Water Rates of Last Production. Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 8-27-01 Rates: 0.4/203 Commingled Mesaverde	3/0.2	Date: NA Rates: NA		Date: 8-27-01 Rates: 0.4/203 Commingled v			
Fixed Allocation Percentage Note: If allocation is based upon something other	Oil	Gas	Oil	Gas	Oil	Gas		
han current or past production, supporting data or explanation will be required.)	0 %	56 %	%	%	100 %	44 %		
	L	ADDITIO	DNAL DATA					
re all working, royalty and overriding not, have all working, royalty and over	royalty interests : erriding royalty in	identical in all c	ommingled zones? een notified by cer	tified mail?	Yes Yes	_x No No		
re all produced fluids from all commi	ngled zones comp	oatible with each	other?		Yes	x No		
ill commingling decrease the value of	f production?				Yes	Nox		
this well is on, or communitized with the United States Bureau of Land Ma					Yes	No		
MOCD Reference Case No. applicabl	e to this well:							
ttachments: C-102 for each zone to be comming Production curve for each zone for For zones with no production histor Data to support allocation method of Notification list of working, royalty Any additional statements, data or of the committee	at least one year. y, estimated prodor formula. and overriding re	(If not available uction rates and oyalty interests to	e, attach explanation I supporting data. for uncommon inte	on.)				
		PRE-APPR	OVED POOLS					
If application is	to establish Pre-A	approved Pools,	the following addi	tional information w	vill be required:			
ist of other orders approving downhol ist of all operators within the proposed oof that all operators within the propositionhole pressure data.	l Pre-Approved P	ools						
nereby certify that the information				mowledge and bel	ief.			
IGNATURE Thomas	12 vei	TITLE_	Production Eng	gineerD	ATE 9/24/01			
YPE OR PRINT NAME Thom	as P. Kacir		TELEI	PHONE NO. (_915	5) 687-8450			

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-116 Revised March 17, 1999

Submit 2 copies To Appropriate District Office

GAS - OIL RATIO TEST

									-	
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division. Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60. Report casing pressure in lieu of tubing pressure for any well producing through casing. (See Rule 301, Rule 1116 & appropriate pool rules.)		Instructions:	Jicarilla Apache API 30-039-08149	LEASE NAME		Address PO Box 2490 Hobbs, NM 88240	Operator Marathon Oil Company			
pool rule	ng press	CF measu	allowabl	nall be pr rcent. O	1	11	NO.			
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	any we	a pressi	n autho	l at a ra is encc	•	28	s	LOCATION		
	ill prod	are bas	rized b	te not e ouraged		26	H	TION		
	ucing t	e of 15.	y the I	exceedi l to take	:	5	R			Pool Chacra
	rough casin	025 psia and	ivision.	ng the top un advantage c	•	9/13/01	TEST)		ra
	úσ	a temp		it allov of this 2	· :	H	STATU	JS	TEST - (X)	<u> </u>
		perature o	,	wable for 25 percent	· ·		SIZE		× ×	
		f 60° F.		the pool in tolerance i	•	135	PRESS	TBG.		
				l in lce in			ALLOW- ABLE	DAILY	Scher	
Date	August 31, 2001	Printed Nan	7 -11 - 0 -	Signature	I hereby certify that complete to the best	∞	TEST HOURS	LENGTH	Scheduled	
1, 2000	1 2001	Printed Name and Title	-	Lety 1	pertify that to the bes	24	WATER BBLS.	PR		Ri C
		Title		COLL	t the ab		GRAV.	OD. DUF	Completion	County Rio Arriba
					he above information is true of my knowledge and belief.	0	OIL BBLS.	PROD. DURING TEST	s \ \ \ \	
Tel		Admii	• •		ormation dge and	565	GAS M.C.F.	T		
Telephone No.	393-7106	Admin. Assistant	•		I hereby certify that the above information is true and complete to the best of my knowledge and belief.	N/A	RATIO CU.FT/BBL.	GAS - OIL	Special 🔲	

District 1
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-116 Revised March 17, 1999

Submit 2 copies
To Appropriate
District Office

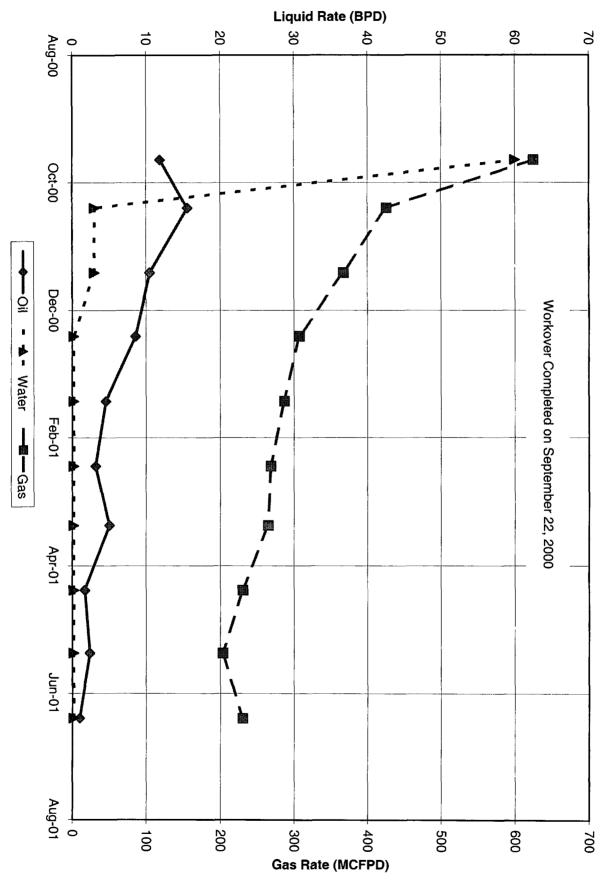
GAS - OIL RATIO TEST

Instructions: During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division. Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60. Report casing pressure in lieu of tubing pressure for any well producing through casing. (See Rule 301, Rule 1116 & appropriate pool rules.)	* = Plunger Lift	FOR INFORMATION ONLY			Jicarilla Apache API 30-039-08149	LEASE NAME	PO Box 2490 Hobbs, NM 88240	Address	Operator Marathon Oil Company	
shall be puercent. Of allowabing pressing press						WELL NO.				
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wable for 25 percen perature c			93	181	CP 281	CHOKE SIZE	ξ)	유		
the pool at tolerand of 60° F.			40	110	195	TBG. PRESS		_		1,1
н н						ALLOW- ABLE	Sche) -		
I hereby certify that the above information is true complete to the best of my knowledge and belief. Signature Kelly Cook Printed Name and Title August 31, 2001 Date Telephone			24	24	24	OF TEST HOURS	Scheduled L]		
ok 1, 2001			0	0	30	WATER BBLS.	P		ZI C	
at the abest of my						GRAV.	PROD DURING TEST) -	County Rio Arriba	
ove info			0	6	18	OIL BBLS.]×		
Admin Tele			242	304	595	GAS M.C.F.	7			
hereby certify that the above information is true and complete to the best of my knowledge and belief. Signature Signature Admin. Assistant rinted Name and Title August 31, 2001 393-7106 Telephone No.			N/A	50,667	33,056	GAS - OIL RATIO CUFT/BBL.	Special L) :]		

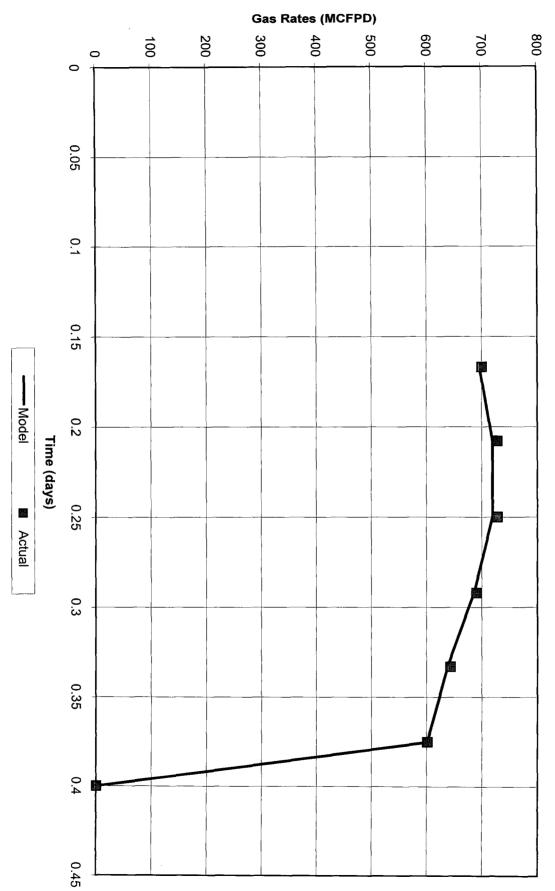




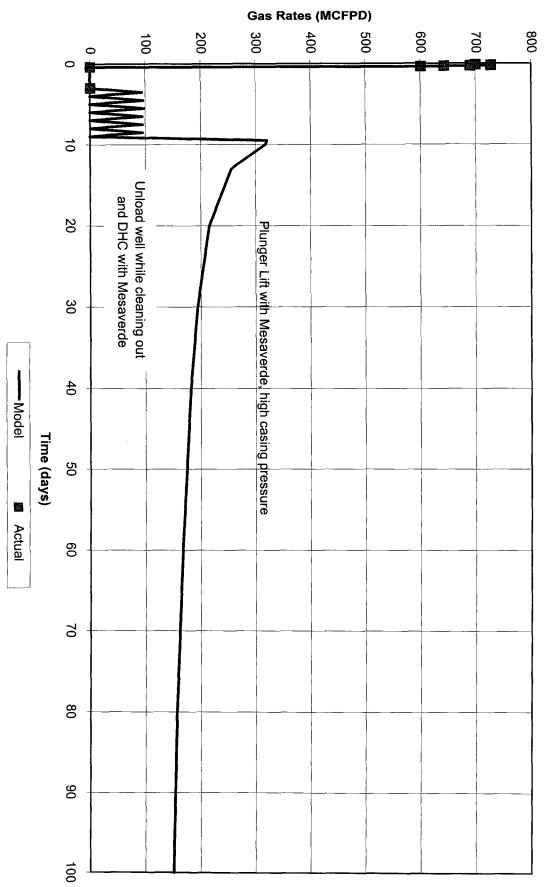
Jicarilla Apache Well No 11 Chacra & Mesaverde



Jicarilla Apache #11 Chacra Model



Jicarilla Apache #11 Chacra Model





MARATHON OIL COMPANY MID-CONTINENT REGION MIDLAND OPERATIONS NORTHWEST NEW MEXICO

DATE: 08/24/99

AFTER WORKOVER

BY: TL CHASE

Rev 8-4-00 MDB

LEASE: JICARILLA APACHE COUNTY: RIO ARRIBA

FIELD: JICARILLA

WELL: 11 STATE: New Mexico

API: 30-039-08149

REACHED TD: 01/19/67

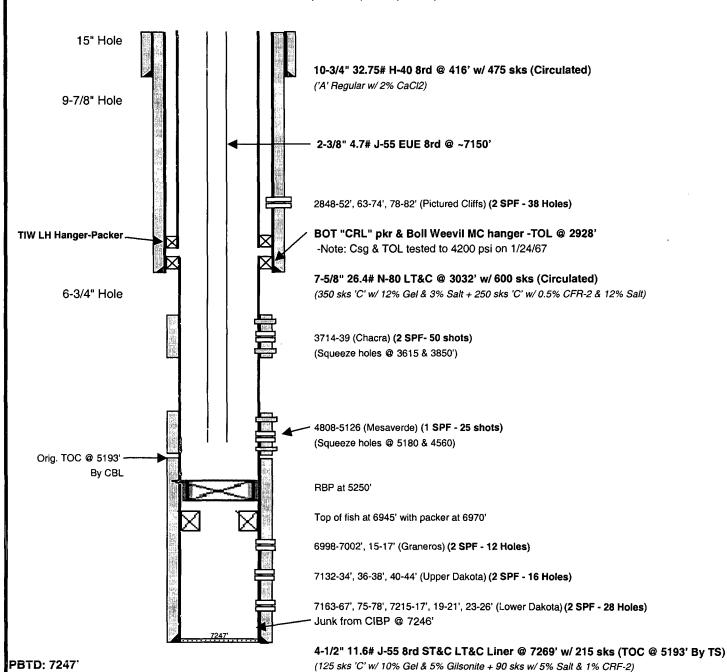
GL = 6465'

SPUD DATE: 01/09/67

COMPLETED: 02/01/67

KB = 6478'

LOCATION: 1040' FSL & 800' FWL, SEC 28, T26N, R 5W, U L "M"



Well History

Jan '67

TD: 7270'

Perf'd Lower Dakota (2 SPF) @ 7163-67', 75-78', 7215-17', 19-21', 23-26'. Acidized w/ 500 gal 15% MCA & 1500 gal 7-1/2% HCl acid. Frac'd w/ 20,000 gal 1% KCl water w/ 60,000# 20-40 sand. Perf'd Graneros (2 SPF) @ 6998-7002', 7015-17' & Upper Dakota (2 SPF) @ 7132-34', 36-38', 40-44'. Acidized Graneros/Upper Dakota 6998-7144' w/ 1000 gal MCA. Frac'd w/ 20,580 gal 1% KCl water w/ 50,000# 20-40 sand. Perf'd Pictured Cliffs (2 SPF) @ 2848-52', 63-74', 78-82'. Frac'd w/ 12,180 gal 1% KCl water w/ 50,000# 10-20 sand.