

12-10-08 DATE IN	SUSPENSE	W. Jones ENGINEER	12-10-08 LOGGED IN	DAC TYPE 4132	PKAA0834549954 APP NO.
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RECEIVED  
2008 DEC 10 PM 1 17  
NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



William Turner #9  
30-025-3769  
Marathon

## 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]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[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

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative 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.

FRANK KRUGH  
Print or Type Name

Signature

Title

Date

e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240

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 Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

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 5555 San Felipe-(Mail Stop #3308) Houston, Texas 77056

Operator William Turner Address 1 - 29 - 21S - 37E Lea

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 014021 Property Code 006478 API No. 30-025-37695 Lease Type: \_\_\_\_ Federal \_\_\_\_ State X Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Penrose-Skelly-Grayburg		Paddock
Pool Code	50350		49210
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3662'-3868'		5167'-5230'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	32.7		33.9
Producing, Shut-In or New Zone	Producing		
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: 09/28/2008 Rates: Water: 85-bbbls Gas: 310-mcf, Oil: 28-bbbls	Date: Rates:	Date: 5/31/2008 Rates: Water: 92-bbbls Gas: 37-mcf, Oil: 7.44-bbbls
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 79 % Gas 89 %	Oil % Gas %	Oil 21 % Gas 11 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No \_\_\_\_

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? - N/A Yes \_\_\_\_ No \_\_\_\_

Are all produced fluids from all commingled zones compatible with each other? Yes X No \_\_\_\_

Will commingling decrease the value of production? Yes \_\_\_\_ No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? - N/A Yes \_\_\_\_ No \_\_\_\_

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases. (Common Interest)

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Rick R. Schell TITLE: Regulatory Compliance Representative DATE: 8-10-2008

TYPE OR PRINT NAME: Rick R Schell TELEPHONE: (713) 296-3412 E-MAIL ADDRESS: rrschell@marathonOil.com

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
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District IV  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-37695	<sup>2</sup> Pool Code 50350	<sup>3</sup> Pool Name Penrose-Skelly-Grayburg
<sup>4</sup> Property Code 6478	<sup>5</sup> Property Name William Turner	<sup>6</sup> Well Number #9
<sup>7</sup> OGRID No. 14021	<sup>8</sup> Operator Name Marathon Oil Company	<sup>9</sup> Elevation 3463'

<sup>10</sup> Surface Location

UL or lot no. 1	Section 29	Township 21-E	Range 37-E	Lot Idn	Feet from the 2225'	North/South line South	Feet from the 330'	East/West line East	County Lea
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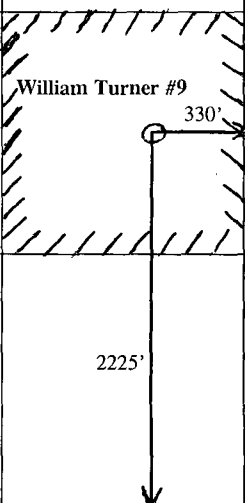
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill Yes	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

<sup>16</sup>				<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Rick R. Schell Signature Rick R Schell Printed Name 11-30-2008 Date
				<sup>18</sup> 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>  Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number



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Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
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Revised October 12, 2005  
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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-37695	<sup>2</sup> Pool Code 49210	<sup>3</sup> Pool Name Paddock
<sup>4</sup> Property Code 6478	<sup>5</sup> Property Name William Turner	<sup>6</sup> Well Number #9
<sup>7</sup> OGRID No. 14021	<sup>8</sup> Operator Name Marathon Oil Company	<sup>9</sup> Elevation 3463'

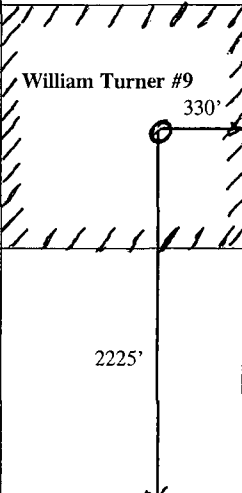
**<sup>10</sup> Surface Location**

UL or lot no. 1	Section 29	Township 21-E	Range 37-E	Lot Idn	Feet from the 2225'	North/South line South	Feet from the 330'	East/West line East	County Lea
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# William Turner #9 GRAYBURG

Date	B.O.	MCF	B.W.	BOEPD	CHOKE
10/19/2006	17	59	200	27	
11/3/2006	16	54	266	25	
11/4/2006	16	54	249	25	
11/5/2006	15	54	243	24	
7/8/2008	0	0	0	0	
7/9/2008	0	0	0	0	
7/10/2008	0	0	0	0	
7/11/2008	15	190	204	47	100%
7/12/2008	16	195	191	49	100%
7/13/2008	21	211	231	56	100%
7/14/2008	18	191	180	50	100%
7/15/2008	21	221	194	58	100%
7/16/2008	0	0	0	0	
7/17/2008	0	0	0	0	
7/18/2008	0	0	0	0	
7/19/2008	0	0	0	0	
7/20/2008	24	85	120	38	85%
7/21/2008	26	170	211	54	85%
7/22/2008	26	204	187	60	85%
7/23/2008	27	187	163	58	85%
7/24/2008	36	284	211	83	85%
7/25/2008	35	288	209	83	85%
7/26/2008	44	331	229	99	80%
7/27/2008	34	301	197	84	80%
7/28/2008	35	215	200	71	80%
7/29/2008	0	0	0	0	
7/30/2008	0	0	0	0	
7/31/2008	0	0	0	0	
8/1/2008	0	0	0	0	
8/2/2008	0	0	0	0	

PRODUCING FROM GRAYBURG

Shutdown Well due to Targa Gas Co.

11  
11  
12

William Turner #9  
Downhole Commingle  
Grayburg and Paddock

The production for the Grayburg data is less than one year due to the fact, it was chosen to commingle the Grayburg and Paddock just a few months after the Grayburg was recompleted (07/2008).

William Turner #9- Paddock

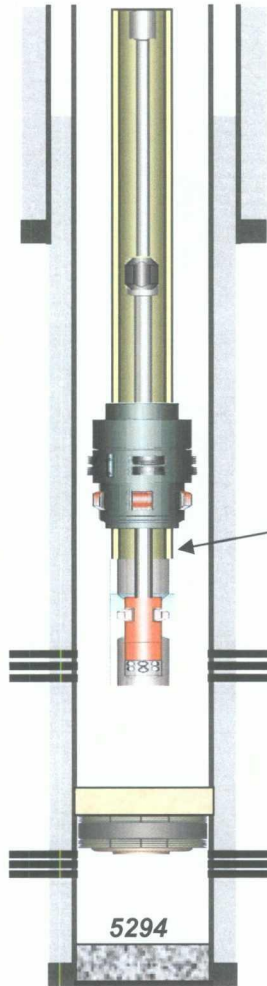
	PROPNUM	PROD. DT	VO GAS P	VO OIL P	VO WAT	GAS SALE	OIL SALES	HOURS	O	AVG CASI	AVG CASI	AVG CASI
1	TOW250071	06/30/2006	1377.00	856.950	4670.800	1377.00	745.88	0	0	0	0	0
2	TOW250071	07/31/2006	2545.00	682.300	5707.100	2545.00	743.84	0	0	0	0	0
3	TOW250071	08/31/2006	2093.00	622.790	5760.810	2093.00	592.05	0	0	0	0	0
4	TOW250071	09/30/2006	2135.00	553.180	5216.680	2135.00	609.59	0	0	0	0	0
5	TOW250071	10/31/2006	2218.00	507.140	5286.550	2218.00	468.57	0	0	0	0	0
6	TOW250071	11/30/2006	1705.00	401.220	5976.940	1705.00	431.23	0	0	0	0	0
7	TOW250071	12/31/2006	1800.00	426.000	6563.330	1800.00	393.96	0	0	0	0	0
8	TOW250071	01/31/2007	1619.00	352.490	4611.880	1619.00	354.94	0	0	0	0	0
9	TOW250071	02/28/2007	1471.00	324.560	4219.280	1471.00	336.67	0	0	0	0	0
10	TOW250071	03/31/2007	1534.00	385.890	5260.100	1534.00	375.75	0	0	0	0	0
11	TOW250071	04/30/2007	1110.00	285.960	3664.220	1110.00	287.96	0	0	0	0	0
12	TOW250071	05/31/2007	990.00	215.160	2681.070	990.00	247.60	0	0	0	0	0
13	TOW250071	06/30/2007	1166.00	284.700	3890.900	1166.00	269.69	0	0	0	0	0
14	TOW250071	07/31/2007	953.00	305.840	3860.190	953.00	306.77	0	0	0	0	0
15	TOW250071	08/31/2007	782.00	273.410	3206.460	782.00	251.03	0	0	0	0	0
16	TOW250071	09/30/2007	60.00	17.360	209.900	60.00	74.31	0	0	0	0	0
17	TOW250071	10/31/2007	82.00	27.100	327.660	82.00	28.16	0	0	0	0	0
18	TOW250071	11/30/2007	981.00	351.680	5668.080	981.00	322.40	0	0	0	0	0
19	TOW250071	12/31/2007	797.00	325.740	4363.960	797.00	291.78	0	0	0	0	0
20	TOW250071	01/31/2008	798.00	261.360	3410.970	798.00	242.91	0	0	0	0	0
21	TOW250071	02/29/2008	815.00	296.110	3414.050	815.00	321.72	0	0	0	0	0
22	TOW250071	03/31/2008	882.00	306.960	3165.530	882.00	309.82	0	0	0	0	0
23	TOW250071	04/30/2008	931.00	263.450	2835.000	931.00	276.37	0	0	0	0	0
24	TOW250071	05/31/2008	1143.00	224.470	2873.220	1143.00	197.28	0	0	0	0	0
25	TOW250071	06/30/2008	531.00	121.290	1552.510	531.00	146.02	0	0	0	0	0
26	TOW250071	07/31/2008	0.00	0.000	0.000	0.00	46.81	0	0	0	0	0
27	TOW250071	08/31/2008	0.00	0.000	0.000	0.00	0.00	0	0	0	0	0

## William Turner #9



12-1/4" Hole

7-7/8" Hole



8-5/8" 24# J-55 @ 1303' w/ 800 Sx TOC @ Surface (Circ 22 bbls)  
8-5/8" casing packer at 1120'.

2-7/8" 6.5# J-55 EUE, TAC@3544', SN @ 3882, EOT @ 3943'

3662-72, 3684-90, 3739-41, 3774-80, 3814-16  
3820-46, 3857-68 (48 holes) *Grayburg*

CIBP @ 5100' w/ sand to 5008'

5167-5230' 2 SPF (64 holes) *Paddock*

5-1/2" 15.5# J-55 LT&C @ 5398' w/1225 Sx TOC 68' (RAL)  
*Top of good cement 2910'*

GL: 3463' KB: 3474'

PBTD: 5100' TD: 5400'

Well Name & No.		William Turner # 9		Field	Drinkard		Date 09/24/08
County	LEA	API	30-025-37695	State	NEW MEXICO	By	R S Bose
Spudded	5/8/2006	Comp Drlg	5/21/2006	Location	2225' FSL, 330' FEL, Section 29, Township 21S, Range 37E, UL "I"		

### Well History

**May 06** Spud and drill well to 5400'. Perforate Paddock from 5167-73, 76-80, 82-88, 5204-10, 5220-30' (2 SPF). Frac well 72 bbls of 7-1/2% HCL, 40 K gals and 125 K lbs 20/40 brown sand. PWOP.

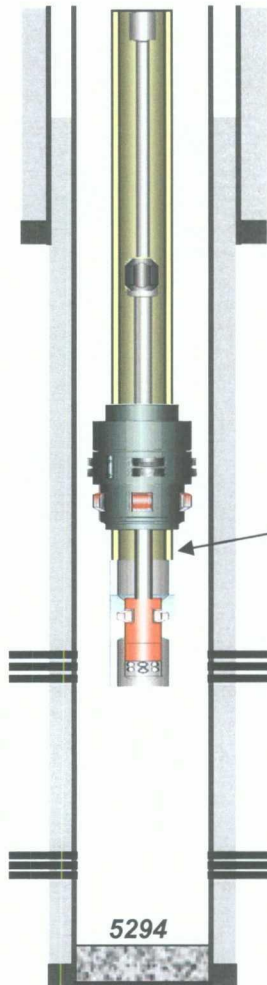


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GL: 3463' KB: 3474'  
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Well Name & No.		William Turner # 9		Field	Drinkard		Date 09/24/08
County	LEA	API	30-025-37695	State	NEW MEXICO	By	R S Bose
Spudded	5/8/2006	Comp Drlg	5/21/2006	Location	2225' FSL, 330' FEL, Section 29, Township 21S, Range 37E, UL "I"		

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