

PNRM 0400856923

C-103 Received 1-5-2004
DHC Assigned 1-8-2004

Order Number	API Number	Operator	County	
HOB-0068	30-025-25131	Marathon Oil Company	Lea	
Order Date	Well Name	Number	Location	
	Walter Lynch	006	F UL	1 Sec
			225 T (+Dir)	37E R (+Dir)
		Oil %	Gas %	
Pool 1	06660	Blinbry Oil & Gas (Oil)	40%	45%
Pool 2	86440	Tubb Oil & Gas (Pro Gas)	0%	15%
Pool 3	07900	Brunson Drinkard Abo, South	40%	20%
Pool 4	62730	Wantz Granite Wash	20%	20%
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____				

1-8-2004
Posted
R B Dyma

B

Previous DHC-316

DOWNHOLE COMMINGLE CALCULATIONS: 30-025-25131

OPERATOR: Marathon Oil Company HOB-0068

PROPERTY NAME: Walter Lynch

WNULSTR: 6-F, 1-22-37

SECTION I:

POOL NO. 1 Blinberry Oil & Gas (Oil) ALLOWABLE AMOUNT 107 428 MCF 4000

POOL NO. 2 Tubb Oil & Gas (Pro Gas) 999 9999 MCF 99999

POOL NO. 3 Brunson Drinkard Abg, South 142 852 MCF 6000

POOL NO. 4 Wantz Granite Wash 187 374 MCF 2000

POOL TOTALS 436 1654

SECTION II:

POOL NO. 1 Blinberry Oil & Gas (Oil) Oil Gas
40% X 436 = 174.40 45%

POOL NO. 2 Tubb Oil & Gas (Pro Gas) 0% 15%

POOL NO. 3 Brunson Drinkard Abg, South 40% 20%

POOL NO. 4 Wantz Granite Wash 20% 20%

OIL

GAS

SECTION III:

107 ÷ 40% = 267.50 (268)

SECTION IV:

268 X 40% = 107.20 (107)

268 X 0% = 0

268 X 40% = 107.20 (107)

268 X 20% = 53.60 (54)

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-25131
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Walter Lynch
8. Well Number #6
9. OGRID Number
10. Pool name or Wildcat Blinebry, Tubb, Brunson South & Wantz

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well:
Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Marathon Oil Company

3. Address of Operator
P.O. Box 552 Midland, TX 79702

4. Well Location

Unit Letter F : 2,310' feet from the North line and 1,980' feet from the West line

Section 1 Township 22s Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,364' - KB

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

NULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Downhole Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Marathon Oil Company requests authorization to downhole commingle the Blinebry, Tubb, Brunson, South (Drinkard-Abo) & Wantz (Granite Wash) pools in the Walter Lynch Well No. 6

The scope of the proposed workover is to drill out bridge plugs to reactivate the temporarily abandoned Tubb, Brunson, South (Drinkard-Abo) & Wantz (Granite Wash) zones, and return the well to rod pump.

Please find attached a wellbore diagram and production plots for all zones.

DHC Order No. HOB-0068

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

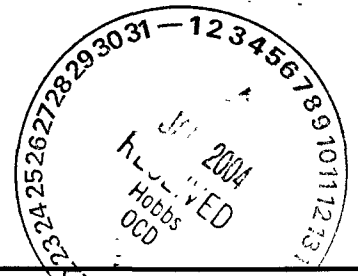
SIGNATURE Brent Lockhart TITLE Engineer DATE 12/30/03

Type or print name Brent Lockhart E-mail address: BDLockhart@MarathonOil.com Telephone No. 713 296 2224

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APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE 1-13-2004

Conditions of approval, if any:



**Walter Lynch Well No. 6
DHC Attachment**

- i) Pre-approved pool status was established by Division Order R-11363
- ii) Blinebry Oil & Gas (6660), Tubb (86440), Brunson, South (Drinkard- Abo) (7900) & Wantz (Granite Wash) (62730)
- iii) Blinebry Oil & Gas (5,476' – 5,806'), Tubb (5,965' – 6,194'), Brunson, South (Drinkard- Abo) (6,319' – 7,266') & Wantz (Granite Wash) (7,404' – 7,455')
- iv) Blinebry Oil & Gas (45% gas & 40% oil), Tubb (15% gas & 0% oil), Brunson, South (Drinkard- Abo) (20% gas & 40% oil) & Wantz (Granite Wash) (20% gas & 20% oil). Supported from tests prior to temporary abandonment.
- v) The proposed commingling will not reduce the value of the total remaining production
- vi) The ownership and percentages are identical for the zones.

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

June 12, 1980

STATE OF NEW MEXICO
SANTA FE, NEW MEXICO 87701
(505) 827-2434

Marathon Oil Company
P. O. Box 2409
Hobbs, New Mexico 88240

Attention: Patrick Burton

Administrative Order No. DHC-316
Walter Lynch Well No. 6, Unit F,
Section 1, Township 22 South,
Range 37 East, NMPM, Lea County,
New Mexico, Drinkard Pool and Wantz-
Granite Wash Pool

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the well-bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Division Order No. MC-2244, which authorized the dual completion and required separation of the zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by top unit allowable for the Wantz-Granite Wash Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: Oil 63%, Gas 93%
Lower Pool: Oil 37%, Gas 7%

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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-25131
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Walter Lynch
8. Well Number 6
9. OGRID Number 14021
10. Pool name or Wildcat Multiple

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Downhole Commingle	7. Lease Name or Unit Agreement Name: Walter Lynch
2. Name of Operator Marathon Oil Company	8. Well Number 6
3. Address of Operator P.O. Box 3487, Houston Texas 77253-3487	9. OGRID Number 14021
4. Well Location Unit Letter F : 2310 feet from the North line and 1980' feet from the West line Section 1 Township 22-S Range 37-E NMPM County Lea	10. Pool name or Wildcat Multiple
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL 3353'	

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit location: UL _____ Sect _____ Twp _____ Rng _____ Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____
Distance from nearest surface water _____ Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ;
_____ feet from the _____ line and _____ feet from the _____ line

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

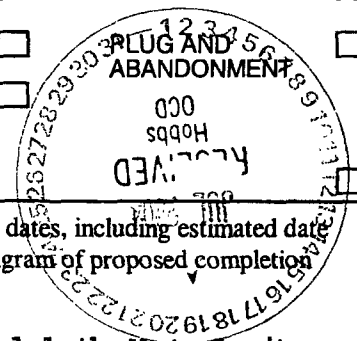
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: **Amend Downhole Commingle Permit** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐
CASING TEST AND CEMENT JOB ☐

OTHER: ☐



13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Marathon Oil Company is requesting that DHC Order No. HOB-0068 be amended to exclude the Wantz Granite Wash reservoir (62730). Marathon was unable to reactivate this reservoir in the Walter Lynch No. 6 at this time due to an obstruction (old packer @ 7282').

Please see the attached documents for a new production profile, production plots, and wellbore diagram.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Charles E. Kendrick TITLE Engineering Technician DATE 07/13/2004
E-mail address: cekendrix@MarathonOil.com
Telephone No. 713-296-2096

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APPROVED BY Paul J. Lang TITLE PETROLEUM ENGINEER DATE JUL 20 2004
Conditions of approval, if any:

Walter Lynch No. 6
DHC Amended Attachment

- i) Pre-approved pool status was established by Division Order R-11363
- ii) Blinebry Oil & Gas (06660), Tubb Oil & Gas (86440),
& Brunson Drinkard-Abo, South (07900)
- iii) Blinebry Oil & Gas (5476'-5806'), Tubb Oil & Gas (5965'-6194')
Brunson Drinkard-Abo, South (6319'-7266')
- iv) Blinebry Oil & Gas (56% gas & 50% oil), Tubb Oil & Gas (19% gas & 0 % oil)
Brunson Drinkard-Abo, South (25% gas & 50% oil) Supported from tests prior to
temporary abandonment.
- v) The proposed commingling will not reduce the value of the total remaining
production.
- vi) The ownership and percentages of ownership are identical for the zones.