

PNRM 05/6730/03

C-103 Received 5-12-2005

DHC No. Assigned 6-15-2005

Order Number		API Number	Operator		Location			
HOB-0119		30-025-29219	Marathon Oil Company		nea			
Order Date		Well Name		Number	Location			
		J. L. Muncy		007	G	24	22S	37E
					UL	Sec	T (+Dir)	R (+Dir)
				Oil %	Gas %			
Pool 1	86440	Tubb Oil & Gas (Pro Gas)		0%	60%			
Pool 2	62730	Wantz Granite Wash		100%	40%			
Pool 3								
Pool 4								
Comments: Work completed effective Work cancelled effective Supplement								

Posted to  
RTBMS  
6-16-2005

6-22-2005  
Cancelled.

DOWNHOLE COMMINGLE CALCULATIONS: 30-025-29219

OPERATOR: Marathon Oil Company HOB-0119

PROPERTY NAME: J. L. Muncy

WNULSTR: 7-G, 24-22-37

	SECTION I:	ALLOWABLE AMOUNT	
86440	POOL NO. 1 <u>Tubb Oil &amp; Gas (Pro Gas)</u>	<u>999</u>	<u>9999</u> MCF <u>99999</u>
62730	POOL NO. 2 <u>Wantz Granite Wash</u>	<u>187</u>	<u>374</u> MCF <u>2000</u>
	POOL NO. 3 _____	_____	_____ MCF
	POOL NO. 4 _____	_____	_____ MCF
	POOL TOTALS	<u>187</u>	<u>374</u>

	SECTION II:	Oil	Gas
	POOL NO. 1 <u>Tubb Oil &amp; Gas (Pro Gas)</u>	<u>0%</u>	<u>60%</u>
	POOL NO. 2 <u>Wantz Granite Wash</u>	<u>100% X 187 = 187</u>	<u>40%</u>
	POOL NO. 3 _____	_____	_____
	POOL NO. 4 _____	_____	_____

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u><math>187 \div 100\% = 187</math></u>	_____
SECTION IV:	<u><math>187 \times 0\% = 0</math></u>	_____
	<u><math>187 \times 100\% = 187</math></u>	_____
	_____	_____
	_____	_____

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
1000 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  
May 27, 2004

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

WELL API NO. <b>30-025-29219</b>
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: <b>J.L. Muncy</b>
8. Well Number <b>7</b>
9. OGRID Number <b>014021</b>
10. Pool name or Wildcat <b>Wantz Granite Wash/ Tubb Oil &amp; Gas</b>

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 <b>DHC</b>
2. Name of Operator <b>Marathon Oil Company</b>
3. Address of Operator <b>P.O. Box 3487 Houston, TX 77253-3487</b>
4. Well Location Unit Letter <b>G</b> ; <b>2086</b> feet from the <b>North</b> line and <b>1874</b> feet from the <b>East</b> line Section <b>24</b> Township <b>22-S</b> Range <b>37-E</b> NMPM County <b>Lea</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>3318' GL</b>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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: **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 Oils Company is requesting authorization to downhole commingle the J.L. Muncy No. 7 in the Wantz Granite Wash (62730) & the Tubb Oil & Gas (86440). Marathon plans to combine the pools by removing a retrievable bridge plug that currently isolates the Granite Wash formation from the active Tubb wellbore. Please attached details of downhole commingle request.

DHC Order No. HOB-0119

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. Kendrix TITLE Engineering Technician DATE 05/05/2005

Typed print name Charles E. Kendrix E-mail address: cekendrix@marathonoil.com Telephone No. 713-296-2096

For State Use Only

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JUN 15 2005  
Conditions of Approval, if any:

**J.L. Muncy No. 7**  
**Downhole Commingle Attachment**  
**Tubb 86440 / Wantz Granite Wash 62730**

- (i) **Number of Division Order that establish pre-approved pool status**  
Pre-approved pool status was established for the Wantz Granite Wash and Tubb combination by Division Order R-11363
- (ii) **Names of pools to be commingled**  
Wantz Granite Wash ( 62730), Tubb Oil & Gas (86440)
- (iii) **Perforated Intervals**  
Tubb Oil & Gas (5814'-6142'), Wantz Granite Wash (7403'- 7559')
- (iv) **Allocation Method and Supporting Data**  
The allocation of oil, gas, and water will be based on the following percentages. These percentages were derived by using production rates for each pool for the last four complete months of production for each pool. Please see the attached spreadsheet for production volume details.  
  
Tubb Oil & Gas (0 % Oil, 60 % Gas, 31 % Water)  
Wantz Granite Wash (100% Oil, 40 % Gas, 69% Water)
- (v) **Statement that the commingling of the pools will not reduced value of production**  
The proposed commingling of these two zones will not reduce the value of the remaining production in the J.L. Muncy No 7. It will make it more economically feasible to produce the well longer with the commingled production volume.
- (vi) **Statement of Ownership**  
The ownership and ownership percentages are identical for these two zones.
- (vii) **Statement of Notification of Other Government Entities**  
The J.L. Muncy is a fee lease, therefore no notice to the BLM or New Mexico State Lands Office was required.

# J. L. Muncy No. 7

21746	1 Wantz Granite Wash		4/30/2004	5/31/2004	6/30/2004	7/31/2004	8/31/2004	9/30/2004
	Oil		513.26	476.28	448.58	431.10	0 00	0.00
	Gas		1605	1289	1140	1324	0	0
	Water		30.19	30.19	30.19	30.19	0.00	0.00

		10/31/2004	11/30/2004	12/31/2004	1/31/2005	2/28/2005	3/31/2005
	Oil	0 00	0 00	0 00	0.00	0 00	0 00
	Gas	0	0	0	0	0	0
	Water	0.00	0.00	0.00	0.00	0 00	0 00

21746	2 Tubb Oil & Gas (Gas)		4/30/2004	5/31/2004	6/30/2004	7/31/2004	8/31/2004	9/30/2004
	Oil	*****	*****	*****	*****		73 08	31.93
	Gas	*****	*****	*****	*****		2225	2704
	Water	*****	*****	*****	*****		881	347.00

		10/31/2004	11/30/2004	12/31/2004	1/31/2005	2/28/2005	3/31/2005
	Oil	12 29	17 08	5.92	0.00	0.56	2.17
	Gas	2318	2153	2004	1929	1015	3031
	Water	201 00	171 00	232.00	0.00	1.00	30.38

Average Daily Production for last four producing Months		Wantz Granite Wash	Tubb	Total Avg. Daily Production
	Oil	15.32	0 07	15 39
	Gas	44	65 94	109.86
	Water	1	2 18	3.17

DHC Percentages		Wantz Granite Wash	Tubb
	Oil	100%	0%
	Gas	40%	60%
	Water	31%	69%

Need Gas Plat

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

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-102  
Revised June 10, 2003

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

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 30-025-29219		<sup>2</sup> Pool Code 60240		<sup>3</sup> Pool Name Tubb Oil & Gas (011)	
<sup>4</sup> Property Code 006442		<sup>5</sup> Property Name J.L. Muncy			<sup>6</sup> Well Number 7
<sup>7</sup> OGRID No. 14021		<sup>8</sup> Operator Name Marathon Oil Company			<sup>9</sup> Elevation 3318'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	24	22-S	37-E		2086'	North	1874'	East	Lea

<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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill N	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<sup>16</sup>	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Charles E. Kendrick</i> Signature Charles E. Kendrick Printed Name Engineering Technician cekendrix@MarathonOil.com Title and E-mail Address 07/21/2004 Date
	<sup>18</sup> 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.
	Date of Survey Signature and Seal of Professional Surveyer:
	Certificate Number

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

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-102  
Revised June 10, 2003

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

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 30-023-29219	<sup>2</sup> Pool Code 86400	<sup>3</sup> Pool Name Tubb Oil & Gas
<sup>4</sup> Property Code 006442	<sup>5</sup> Property Name J.L. Mancy	<sup>6</sup> Well Number 7
<sup>7</sup> OGRID No. 014021	<sup>8</sup> Operator Name Marathon Oil Company	<sup>9</sup> Elevation 3318'

<sup>10</sup> Surface Location

UL or lot no. G	Section 24	Township 22-S	Range 37-E	Lot. Idn	Feet from the 2086'	North/South line North	Feet from the 1874'	East/West line East	County Lea
--------------------	---------------	------------------	---------------	----------	------------------------	---------------------------	------------------------	------------------------	---------------

<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
<sup>12</sup> Dedicated Acres 80	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. N5P-1474-A						

NO ALLOWABLE WELL 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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Charles E. Kendrick</i> Signature Charles E. Kendrick Printed Name Engineering Technician cekendrick@marathonoil.com Title and E-mail Address 05/02/2005 Date
						<sup>18</sup> 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.  Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number

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

State of New Mexico  
Energy, Minerals & Natural Resources

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

Form C-102  
Revised June 10, 2003

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 <b>30-025-10440</b>	<sup>2</sup> Pool Code <b>62730</b>	<sup>3</sup> Pool Name <b>Wantz Granite Wash</b>
<sup>4</sup> Property Code <b>006442</b>	<sup>5</sup> Property Name <b>J.L. Muncy</b>	<sup>6</sup> Well Number <b>7</b>
<sup>7</sup> OGRID No <b>014021</b>	<sup>8</sup> Operator Name <b>Marathon Oil Company</b>	<sup>9</sup> Elevation <b>3318'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>G</b>	Section <b>24</b>	Township <b>22-S</b>	Range <b>37-E</b>	Lot. Idn	Feet from the <b>2086'</b>	North/South line <b>North</b>	Feet from the <b>1874'</b>	East/West line <b>East</b>	County <b>Lea</b>
---------------------------	----------------------	-------------------------	----------------------	----------	-------------------------------	----------------------------------	-------------------------------	-------------------------------	----------------------

<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
<sup>12</sup> Dedicated Acres <b>40</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<sup>16</sup>									

<sup>17</sup> OPERATOR CERTIFICATION  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  
*Charles E. Kendrick*  
Signature  
**Charles E. Kendrick**  
Printed Name  
**Engineering Technician**  
**cekendrix@marathonoil.com**  
Title and E-mail Address  
**06/16/2005**  
Date

<sup>18</sup> 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.  
Date of Survey  
Signature and Seal of Professional Surveyor:  
Certificate Number