

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
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
March 4, 2004

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

WELL API NO. 30-025-25884
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: McDonald State A/C 2
8. Well Number 29
9. OGRID Number 14021
10. Pool name or Wildcat Blinebry (06660) / Drinkard (19190)

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator Marathon Oil Company	
3. Address of Operator P.O. Box 3487, Houston Texas 77253-3487	
4. Well Location Unit Letter H ; 1800' feet from the North line and 330' feet from the East line Section 13 Township 22-S Range 36-E NMPM County Lea	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3452'	

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: **Downhole Commingle**

☒

SUBSEQUENT REPORT OF:

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

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 approval to downhole commingle production in McDonald State A/C 2 No. 29. This well is currently shut in due to a casing leak. Marathon plans to squeeze the casing leak, and requests that we be allowed to downhole commingle the well once we have established casing integrity.

Please see the attachments for details of Marathon's proposal for downhole commingling.

DHC Order No. HOB-0093

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 NMOC guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Charles E. Kendrick TITLE Engineering Technician DATE 08/05/2004

Type or print name **Charles E. Kendrick**

E-mail address: **cekendrix@MarathonOil.com**

Telephone No. **713-296-2096**

(This space for State use)

OC DISTRICT SUPERVISOR/GENERAL MANAGER

APPROVED BY Chris Williams TITLE _____ DATE AUG 11 2004
Conditions of approval, if any:

McDonald State A/C 2 No. 29 Downhole Commingle Application

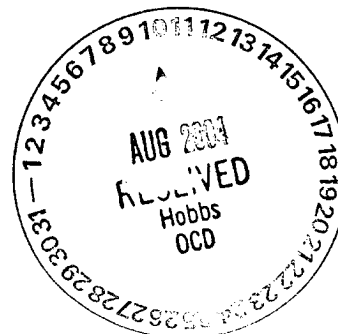
- i) Pre-approved pool status was established by Division Order R-11363.
- ii) Blinbry Oil & Gas (06660), Drinkard (19190)
- iii) Blinbry Oil & Gas (5460'-5672'), Drinkard (6485'-6653')
- iv) Blinbry Oil & Gas (58% Oil, 58% Gas, 95% Water),
Drinkard (42% Oil, 42% Gas, 5% Water) Supported from well tests
prior to temporary abandonment and shut in on both zones.
- v) The proposed commingling will not reduce the value of the total remaining
production.
- vi) The ownership and percentages of ownership are identical for both zones.



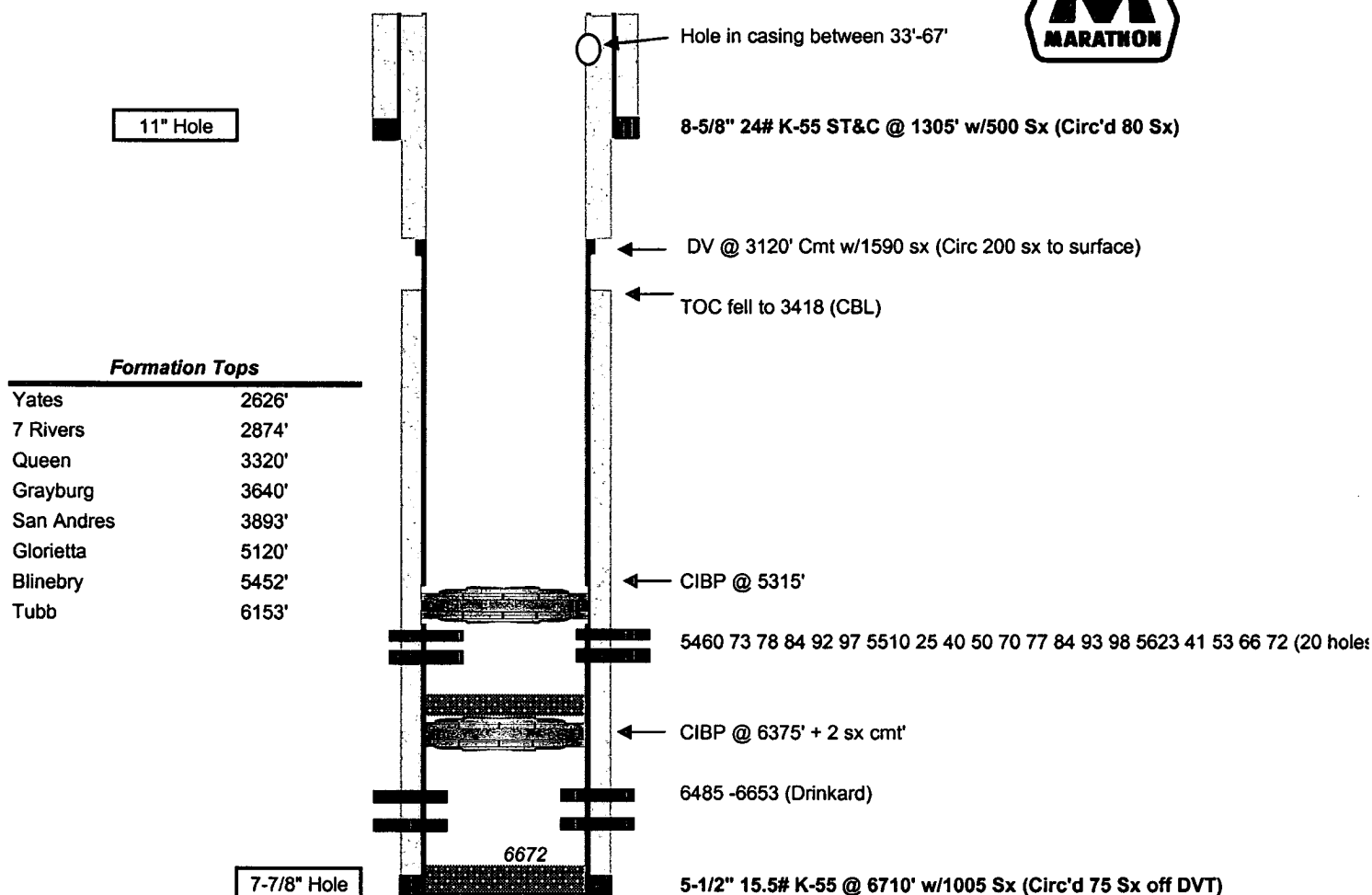
McDonald State A/C 2 No. 29 Well Tests

11945-1	Drinkard 19190	TA'd 12/20/1990	11945-2	Blinebry 0660				
Date	Oil	Gas	Water	Date	Oil	Gas	Water	
12/4/1990	5	31.33	7	4/20/2004	2.7	20	161	
11/4/1990	5	31.33	8	3/30/2004	3	20	196	
10/28/1990	5	31.33	8	1/29/2004	4.5	25	129	
9/21/1990	5	31.33	9	12/4/2003	4	25	125	
8/14/1990	5	31	10	11/28/2003	4	28	139	
7/10/1990	5	31	8	10/30/2003	4	30	142	
6/16/1990	4	31	6	9/10/2003	3.5	30	145	
5/20/1990	5	39	6	8/12/2003	3.5	30	160	
4/17/1990	6	47	6	7/29/2003	3	25	185	
3/17/1990	6	47	4	6/20/2003	5	20	150	
	51	351.32	72		37.2	253	1532	
	5.1	35.1	7.2		3.7	25.3	153	

	OIL		GAS		Water	
Drinkard	5.1	58.00%	35.1	58.00%	7.2	5.00%
Blinebry	3.7	42.00%	25.3	42.00%	153	95.00%
	8.8	100.00%	60.4	100.00%	160.2	100.00%



Well Name & No.		McDONALD STATE A/C 2 NO. 29		Field	Blinebry Oil and Gas		Date 07/26/04	
County	LEA	API	30 025 25884	State	NEW MEXICO	By	R S BOSE	
Spudded		Comp Drlg		Location	1800' FNL & 330' FEL, Section 13, Township 22S, Range 36E, UL 'H'			



GL: 3452' KB: 3462'
PBTD: 5315' TD: 6710'

Well History

May '04 Located hole in casing between 33 and 67' from surface. Pump-in at 1 BPM @ 400#. Good test above and below leak. Laid down all rods and tubing. Set CIBP at 5315'.

1990 Recomplete to the Blinebry 5460'-5672'

1978 Drilled and completed to the Drinkard 6485'-6653' : Drinkard abandoned 12/20/1990

