

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
May 27, 2004

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

WELL API NO. 30-025-06688
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: Dayton Hardy
8. Well Number 2
9. OGRID Number 14021
10. Pool name or Wildcat Drinkard/Tubb O&G/ Blinebry O&G

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 <input type="checkbox"/>	2. Name of Operator Marathon Oil Company
3. Address of Operator P.O. Box 3487 Houston, TX 77253-3487	4. Well Location Unit Letter I : 1980' feet from the South line and 660' feet from the East line Section 20 Township 21-S Range 37-E NMPM County Lea
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL 3448' KB 3497'	
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 Oil Company requests permission to downhole commingle the Dayton Hardy No. 2 in the Drinkard (19190), the Tubb Oil & Gas (60240), and the Blinebry Oil & Gas (06660). The well is currently downhole commingled in the Tubb and Blinebry zones under order DHC 1096. We are seeking to add the Drinkard reservoir which was last produced in 1979.

DHC Order No. **HOB-0098**

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 10/04/2004

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

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

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

For State Use Only

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE OCT 18 2004

Conditions of Approval, if any:

Dayton Hardy No. 2

Downhole Commingle Attachment

- (i) Pre-approved status for downhole commingling of the Drinkard, Blinebry, and Tubb pools was established under Division Order No. R-11363.
- (ii) Drinkard (19190), Tubb Oil & Gas (60240), Blinebry Oil & Gas (06660).
- (iii) Drinkard (6,468'-6,576' & 6,605'-6,672'), Tubb Oil & Gas (6,030'-6,282'), Blinebry Oil & Gas (5,556'-5,830)
- (iv) Drinkard (29% Oil, 69% Gas, 36% Water), Tubb Oil & Gas (15% Oil, 6% Gas, 14% Water), Blinebry Oil & Gas (56% Oil, 25% Gas, 50% Water). The production ratio's were determined using the past history of production rates for the three reservoirs. Please see attachment for details.
- (v) The downhole commingling of these reservoirs will not change the value of the total remaining production in the three zones.
- (vi) Ownership and ownership interest is identical for the three reservoirs.

Dayton Hardy Well No. 2 Drinkard (19190)

Production volumes for last full year produced. (1979)

Oil %	Gas %	Water %
29%	69%	36%

Month	Oil	Gas	Water	Days Produced
Jan-79	59	2808	27	31
Feb-79	45	2004	20	28
Mar-79	48	2541	27	31
Apr-79	67	3178	38	30
May-79	26	4087	4	31
Jun-79	29	3809	4	30
Jul-79	39	3560	6	30
Aug-79	23	3344	5	31
Sep-79	31	2101	17	26
Oct-79	30	2595	21	25
Nov-79	78	2505	56	30
Dec-79	18	1858	18	31
Total prod.	493	34390	243	354
Agv. Production per day	1.4	97.1	0.7	

Dayton Hardy Well No. 2 Tubb Oil & Gas (60240)

Production volumes for full year produced (April 2003 - March 2004)

Oil %	Gas %	Water %
15%	6%	14%

Month	Oil	Gas	Water	Days Produced
Apr-03	14	281	9	30
May-03	19	294	11	31
Jun-03	22	284	10	30
Jul-03	22	270	6	31
Aug-03	20	260	11	31
Sep-03	18	241	10	30
Oct-03	23	262	6	31
Nov-03	25	259	9	30
Dec-03	22	291	6	31
Jan-04	25	293	6	31
Feb-04	22	267	5	29
Mar-04	23	273	6	31
Total prod.	256	3275	96	366
Agv. Production per day	0.7	8.9	0.3	

Dayton Hardy Well No. 2 Blinebry O & G (06660)

Production volumes for full year produced (April 2003 - March 2004)

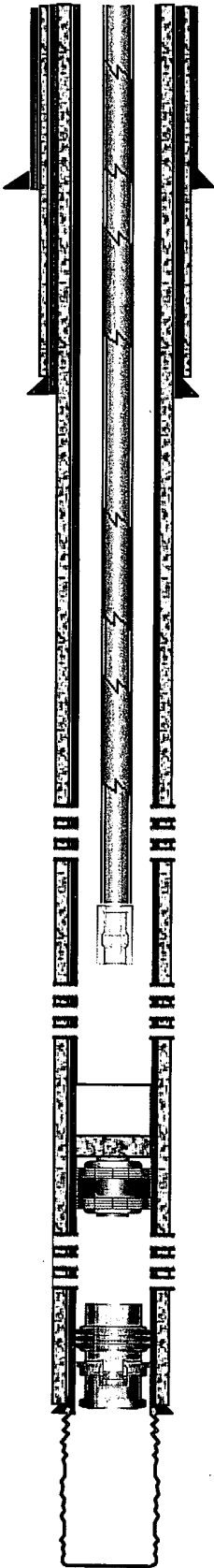
Oil %	Gas %	Water %
56%	25%	50%

Month	Oil	Gas	Water	Days Produced
Apr-03	55	1124	36	30
May-03	74	1176	41	31
Jun-03	84	1135	37	30
Jul-03	83	1081	21	31
Aug-03	76	1041	40	31
Sep-03	69	964	39	30
Oct-03	87	1049	23	31
Nov-03	94	1036	33	30
Dec-03	85	1163	24	31
Jan-04	93	1170	24	31
Feb-04	81	1069	20	29
Mar-04	86	1093	22	31
Total prod.	966	13101	359	366
Agv. Production per day	2.6	35.8	1.0	



Dayton Hardy No. 2 before adding Drinkard

Marathon Oil Company
Dayton Hardy No. 2
3-Oct-04



Surface Casing
13 3/8" 45# set @ 300' Cmt d w/ 200 sks

Intermediate Casing
8 5/8" 32# H-40 set @ 2,800' Cmt d w/ 1500 sks

Blinbry perfs 5,556' - 5,830'

Tubb Perfs 6,030' - 6,282'

Fill @ 6,342'

Cast iron bridge plug w/ 5 sks cmt @ 6,440'

Upper Drinkard Perfs 6468' - 6576'

Otis WB pkr /w plug @ 6,590'

Production Casing
5 1/2" 17# Set @ 6,605' Cmt d w/ 650 sks

Lower Drinkard Open Hole 6,605' - 6,672'

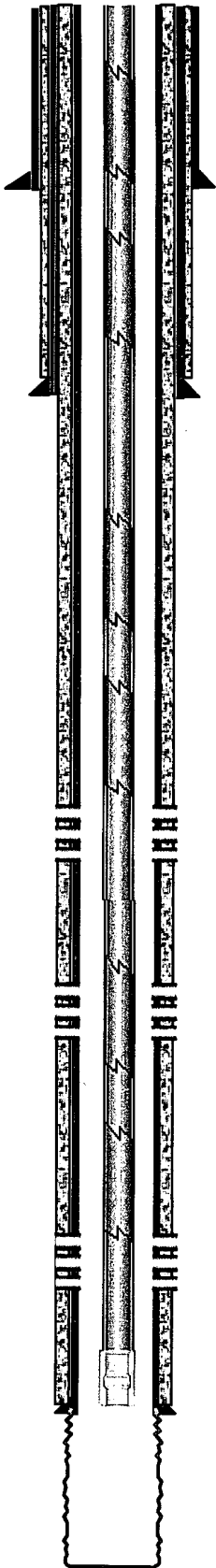
TD 6,672'

Well Name & Number:	Dayton Hardy No. 2		Lease	Dayton Hardy		
County or Parish:	Lea	State/Prov.	New Mexico		Country:	USA
Perforations: (MD)	See Above for detail		(TVD)	6,672'		
Date Completed:				RKB:		
Prepared By:	Charles Kendrix		Last Revision Date:	10/04/04		



Dayton Hardy No. 2 after DHC Drinkard/Tubb/Blinebry

Marathon Oil Company
Dayton Hardy No. 2
3-Oct-04



Surface Casing
13 3/8" 45# set @ 300' Cmt'd w/ 200 sks

Intermediate Casing
8 5/8" 32# H-40 set @ 2,800' Cmt'd w/ 1500 sks

Blinebry perfs 5,556' - 5,830'

Tubb Perfs 6,030' - 6,282'

Upper Drinkard Perfs 6468' - 6576'

Production Casing
5 1/2" 17# Set @ 6,605' Cmt'd w/ 650 sks

Lower Drinkard Open Hole 6,605' - 6,672'

TD 6,672'

Well Name & Number:	Dayton Hardy No. 2		Lease	Dayton Hardy		
County or Parish:	Lea	State/Prov.	New Mexico		Country:	USA
Perforations: (MD)	See Above for detail		(TVD)	6,672'		
Date Completed:				RKB:		
Prepared By:	Charles Kendrix		Last Revision Date:	10/04/04		