

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
March 4, 2004

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

WELL API NO. 30-025-36422
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 BM Marcus
8. Well Number 3
9. OGRID Number 000495
10. Pool name or Wildcat Skaggs Drinkard, Warren; Tubb, Blinebry Oil & Gas

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 Amerada Hess Corporation	
3. Address of Operator P.O. Box 840 Seminole, TX 79360	
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>20</u> Township <u>20S</u> Range <u>38E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3553'	

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:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE <input type="checkbox"/>	CASING TEST AND <input type="checkbox"/> ABANDONMENT
OTHER: <input type="checkbox"/>	OTHER: Final DHC completion <input checked="" type="checkbox"/>

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. 11/15/2004 thru 12/6/2004 Refer to HOB-0067 R-11363
MIRU Tyler Well Svc. Install 6" 900 BOP. RU Baker Wireline, set CIBP @ 6500'. TIH w/4" csg guns @ 3 spf and perf the Blinebry zone as follows: 5904'-5910.4', 5971'-5974.8', 5996'-6000.8', 6053'-6055', 6090'-6092'. 11/17/04 - TIH w/5 1/2" pkr set @ 6085'. Test lines to 5500 psi. Acidize Blinebry perms w/4000 gals HCL 15%. 11/18/04 - Swab well, remove BOP & install frac valve. CI well. 11/21/04 - RU BJ Svc & treat Blinebry perms w/79,000 gals spectra star frac 30# XL borate & 202,000# 16/30 Ottawa sand. CI well. 11/22/04 - Bail out sand to CIBP @ 6500'. TOH w/tbg & bailer. CI well. 11/29/04 - Drill thru CIBP @ 6500'. TIH w/pump #A-1007. 12/5/04 - Tie to prod facility. Begin flowing well from all zones. Well test on 12/13/04 of 133 BOPD, 288 MCFPD, 0 BWPD. See attached commingling percentages.
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 Carol J. Moore TITLE Senior Advisor/Regulatory DATE 1/12/2005

Type or print name Carol J. Moore E-mail address: cmoore@hess.com Telephone No. (432)758-6738

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JAN 19 2005
Conditions of approval, if any:

ALLOCATION OF PRODUCTION FOR BM MARCUS #3
(Allocation by zone for Drinkard, Blinebry and Tubb zones based on offset reserves)

SKAGGS DRINKARD (57000)		
WELL NAME	RESERVES	
	MBO	MMCF
BM MARCUS #2	9	138
F. TURNER JR B #2	2	60
M.J. RALEY #2	9	58
F. TURNER A #7	2	36
TOTAL FOR ZONE	22	292
AVERAGE	6	73
ALLOCATION PERCENTAGE	3%	20%

WARREN TUBB (87080)		
WELL NAME	RESERVES	
	MBO	MMCF
BM MARCUS #2	118	157
CONOCO BURGER B-20 #1 (SW OFFSET)	60	66
CONOCO BURGER B-20 #2 (S OFFSET)	255	242
CONOCO BURGER B-20 #3 (SE OFFSET)	14	57
TOTAL FOR ZONE	447	522
AVERAGE	112	131
ALLOCATION PERCENTAGE	66%	36%

BLINEBRY OIL AND GAS (06660)		
WELL NAME	RESERVES	
	MBO	MMCF
BM MARCUS #2	47	189
CONOCO BURGER B-20 #1 (SW OFFSET)	43	108
CONOCO BURGER B-20 #2 (S OFFSET)	98	233
CONOCO BURGER B-20 #3 (SE OFFSET)	23	112
TOTAL FOR ZONE	211	642
AVERAGE	53	161
ALLOCATION PERCENTAGE	31%	44%

TOTAL FOR ALL ZONES	680	1456
AVERAGE FOR ALL ZONES	170	365