

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. <b>30-025-24943</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>Lou Worthan</b>
8. Well Number <b>13</b>
9. OGRID Number <b>14021</b>
10. Pool name or Wildcat <b>Drink/ Wantz Granite Wash/ Wantz Abo</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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <b>DHC</b>	7. Lease Name or Unit Agreement Name: <b>Lou Worthan</b>
2. Name of Operator <b>Marathon Oil Company</b>	8. Well Number <b>13</b>
3. Address of Operator <b>P.O. Box 3487, Houston, TX 77253-3487</b>	9. OGRID Number <b>14021</b>
4. Well Location Unit Letter <b>C</b> : <b>330</b> feet from the <b>North</b> line and <b>2080</b> feet from the <b>West</b> line Section <b>11</b> Township <b>22S</b> Range <b>37E</b> NMPM County <b>Lea</b> 11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>3362' GL</b>	10. Pool name or Wildcat <b>Drink/ Wantz Granite Wash/ Wantz Abo</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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: **Downhole Commingle three pools** ☒

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 proposing to add the Wantz Granite Wash Pool to the existing DHC 884 for the Lou Worthan No. 13. This well was originally permitted to produce out of the Drinkard, Wantz Granite Wash, and Wantz Abo pools. The original DHC 884 was amended in August 1997 to include only the Drinkard and Wantz Abo pools due to high production volumes. The production rates on these two zones has now declined to levels where the Wantz Granite Wash can be produced. Marathon would also like to amend the percentage allocations for oil and gas based on the information available for the last four months of production for each pool. Please see the attachments with this application for details.

**DHC Order No. HOB-0112**

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 **03/23/2005**

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

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

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

For State Use Only

APPROVED BY

TITLE **PETROLEUM ENGINEER**

DATE **MAR 29 2005**

Conditions of Approval, if any:

**Marathon Oil Company  
Lou Worthan No. 13  
Request Exception to Rule 303  
Downhole Commingle**

**19.15.5 .303.C(3)b**

- (i) **NMOCD Rule establishing commingle of pools R-11363**  
R-11363 established pre-approved downhole commingle of the  
Drinkard / Wantz Granite Wash, Drinkard / Wantz Abo, & Wantz Granite Wash /  
Wantz Abo pools

- (ii) **List of Pools to be Surface Commingled**  
Drinkard (19190)  
Wantz Abo (62700)  
Wantz Granite Wash (62730)

- (iii) **Perforated Intervals**  
Drinkard (19190) 6244' – 6339'  
Wantz Abo (62700) 6565' – 7070'  
Wantz Granite Wash ( 62730) 7115' – 7211'

- (iv) **Method of Allocation – Well Test**  
The Lou Worthan No. 13 will be allocated daily production volumes based on  
well test. The daily production volumes for the Lou Worthan No. 13 will then be  
allocated to each production pool in the Lou Worthan No. 13 based on  
percentages established from the last four months of continuous production from  
the each pool.

	Oil	Gas	Water
Drinkard (19190)	0%	10%	0%
Wantz Abo (62700)	0%	61%	0%
Wantz Granite Wash (62730)	100%	29%	100%

Please see attached spreadsheet for production volume details to support  
allocation percentages.

- (v) **Value of Remaining Production:**  
The downhole commingling of production from these pools will not reduce the  
value of the remaining production in this well.
- (vi) **Ownership Interests:**  
The owner interest in all pools to be commingled is identical for the Lou Worthan  
No. 13 well, therefore no notification was sent to interest owners.

**(vii) Notification to SLO and BLM:**

The Lou Worthan is a fee lease therefore no notice to the BLM or State Lands Office is required for this well to be downhole commingled.

## LOU WORTHAN NO. 13 DHC AMENDMENT REQUEST

### Production for the last four active months by Pool

		Jan-05	Dec-04	Nov-04	Oct-04	Daily Avg.
Drinkard (19190)	Oil (bbls)	0	0	0	0	0
	Gas (mcf)	1261	1316	1344	1424	43
Wantz Abo (62700)	Oil (bbls)	0	0	0	0	0
	Gas (mcf)	7747	8085	8254	8746	267
Wantz Granite Wash (62730)		Dec-96	Nov-96	Oct-96	Sep-96	
	Oil (bbls)	0	116	26	26	1
	Gas (mcf)	4195	3874	3671	6417	126
DHC Percentages		Oil %	Gas %			
Drinkard (19190)		0%	10%			
Wantz Abo (62700)		0%	61%			
Wantz Granite Wash (62730)		100%	29%			