

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-101  
May 27, 2004

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

Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address Marathon Oil Company P.O. Box 3487 Houston, TX 77253-3487		<sup>2</sup> OGRID Number 14021
<sup>4</sup> Property Code 006454		<sup>3</sup> API Number 30- 30-025-25130
<sup>5</sup> Property Name Mark Owen		<sup>6</sup> Well No. 7
<sup>9</sup> Proposed Pool Penrose Skelly Grayburg (50350)		<sup>10</sup> Proposed Pool 2

**<sup>7</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
N	35	21-S	37-E		660'	South	2310'	West	Lea

**<sup>8</sup> Proposed 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

**Additional Well Location**

<sup>11</sup> Work Type Code P	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 5367'
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth	<sup>18</sup> Formation Grayburg	<sup>19</sup> Contractor	<sup>20</sup> Spud Date
Depth to ground water		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**<sup>21</sup> Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8 5/8"	24 #	1252'	600	surface
7 7/8"	5 1/2"	15.5 #	7427'	2525	surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Marathon Oil Company is proposing to plug back the Mark Owen No. 7 in the Eunice San Andres South pool, and re-complete the well to the Penrose Skelly Grayburg. The San Andres completion has proven to be uneconomical to operate at this time. Current production from the San Andres is averaging less than 1 bbl oil per day and less than 40 mcf gas per day, while making greater than 300 bbls water per day.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCDD guidelines ☐ a general permit ☐, or an (attached) alternative OCD-approved plan ☐  
Signature: *Charles E. Kendrix*

Printed name: Charles E. Kendrix

Title: Engineering Technician

E-mail Address: cekendrix

Date: 02/15/2006

Phone: 713-296-2096

**OIL CONSERVATION DIVISION**

Approved by:

Title:

Approval Date: MAR 01 2006 Expiration Date:

Conditions of Approval:

Attached ☐

District I  
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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 30-025-25130		<sup>2</sup> Pool Code 50350		<sup>3</sup> Pool Name Penrose Skelly Grayburg	
<sup>4</sup> Property Code 006454		<sup>5</sup> Property Name Mark Owen			<sup>6</sup> Well Number 7
<sup>7</sup> OGRID No. 14021		<sup>8</sup> Operator Name Marathon Oil Company			<sup>9</sup> Elevation 3367'

<sup>10</sup> Surface Location

UL or lot no. N	Section 35	Township 21-S	Range 37-E	Lot. Idn	Feet from the 660'	North/South line South	Feet from the 2310'	East/West line West	County Lea
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<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> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Charles E. Kendrix Printed Name Engineering Technician cekendrix@marathonoil.com Title and E-mail Address 02/15/2006 Date			
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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			

 The sender of this message has requested a read receipt. [Click here to send a receipt.](#)

**Mull, Donna, EMNRD**

**From:** Phillips, Dorothy, EMNRD  
**To:** Mull, Donna, EMNRD  
**Cc:**  
**Subject:** RE: Financial Assurance Requirement  
**Attachments:**

**Sent:** Wed 3/1/2006 9:08 AM

Donna, Paladin has 9 Inactive wells and it owns 61 wells and they are allowed to have only 2 inactive wells - I am asking Gail about this one also.

Pogo has 719 wells and are allowed 7 wells and they have 15 inactive and are purchasing 23 inactive from Arch but they do not appear on Jane's list. I have asked Gail about Pogo to see if she has contacted them. The system has been updated so that whenever an operator tries to do an operator change if they are out of compliance with Rule 40 a Warning appears that they are out of compliance and to contact me. I refer them either to Gail or Daniel. They let me know when to proceed with the operator change. However, Pogo submitted the name change before this was in place. Will let you know what Gail says. All the rest are okay.

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**From:** Mull, Donna, EMNRD  
**Sent:** Wednesday, March 01, 2006 7:42 AM  
**To:** Phillips, Dorothy, EMNRD  
**Subject:** Financial Assurance Requirement

Dorothy, These Operators have Intent to drill in District 1 for approval:

Trilogy Operating Inc. (21602)  
Range Operating New Mexico Inc. (227588)  
Marbob Energy Corp. (14049)  
Paladin Energy Corp. (164070)  
Energen Resources Corp (162928)  
Marathon Oil Co. (14021)  
BTA Oil Producers (3002)  
Northstar Operating Co. (152527)  
EverQuest Energy Corp (212929)  
Yates Petroleum Corp (35575)  
Arch Petroleum Inc, (962)  
Chevron USA Inc (4323)  
Pogo Producing Co. (17891)

Please check if the Financial Assurance Requirements are OK for these operators to drill. Thanks Donna