

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

¹ Operator Name and Address Marathon Oil Company P.O. Box 3487 Houston, TX 77253-3487		² OGRID Number 14021
		³ API Number 30- 25-37649
⁴ Property Code 006454	⁵ Property Name Mark Owen	⁶ Well No. 15
⁹ Proposed Pool 1 Penrose Skelly Grayburg		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
K	35	21-S	37-E	K	1650	South	1650	West	Lea

⁸ 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

¹¹ Work Type Code P	¹² Well Type Code 0	¹³ Cable/Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3374'
¹⁶ Multiple No	¹⁷ Proposed Depth	¹⁸ Formation Grayburg	¹⁹ Contractor	²⁰ Spud Date 09/01/2004
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 checked="" type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1275'	650 sks	surface
7 7/8"	5 1/2"	15.5#	5311'	1200 sks	1200' f/ surface

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

²² 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 Paddock formation using a CIBP set above the top perforation @ 5114' to isolate the Paddock formation in the Mark Owen No. 15. Marathon will then re-complete the well to the Grayburg formation. After an initial production period, Marathon plans on seeking a downhole commingle permit to combine production from both pools. A C-102 plat is on file with the NMOCD for the Grayburg pool.

²³ 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 NMOCD guidelines ☐ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.
Signature: *Charles E. Kendrix*

Printed name: Charles E. Kendrix

Title: Reg. Compliance Rep.

E-mail Address: cekendrix@marathonoil.com

Date: 08/07/2006

Phone: 713-296-2096

OIL CONSERVATION DIVISION

Approved by:

Title: DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date:

Expiration Date:

SEP 11 2006

Conditions of Approval:

Attached ☐

DISTRICT I
1625 N. FRENCH DR., BOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

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 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 50350	Pool Name PENROSE SKELLY; GRAYBURG
Property Code 6454	Property Name MARK OWEN	Well Number 15
GRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 3374'

Surface Location

UL or lot No. K	Section 35	Township 21-S	Range 37-E	Lot Idn	Feet from the 1650	North/South line SOUTH	Feet from the 1650	East/West line WEST	County LEA
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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
Dedicated Acres 40	Joint or Infill	Consolidation Code	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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature FRANK M. KRUGH Printed Name Reg. Comp. Rep. III Title 1/19/2006 Date
	SURVEYOR CERTIFICATION 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. JANUARY 12, 2006 Date Surveyed LA Signature & Seal of Professional Surveyor Certificate No. GARY HUDSON 12841