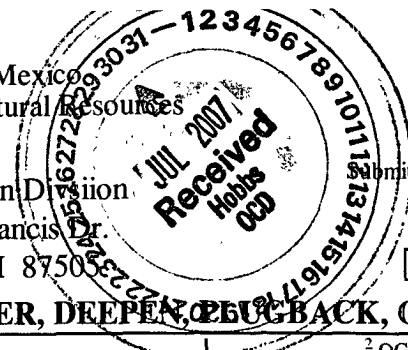


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 006478		<sup>3</sup> API Number 30- 25-37070
<sup>5</sup> Property Name William Turner		<sup>6</sup> Well No. 5
<sup>9</sup> Proposed Pool 1 Penrose Skelly Grayburg		<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
J	29	21-S	37-E		2310	South	2310	East	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 PB <i>9A</i>	<sup>12</sup> Well Type Code 0	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3480'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth	<sup>18</sup> Formation Grayburg	<sup>19</sup> Contractor	<sup>20</sup> Spud Date ASAP
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 #	401	280	Surface
7 7/8"	5 1/2"	17 #	4320'	970	2520'
Permit Expires 1 Year From Approval Date Unless Drilling Underway <i>Plugback or Adding</i>					

<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 temporarily plugback the San Andres formation in the William Turner NO 5 well. Marathon will set a CIPB approximately 100' above the top San Andres perforation at 3888'. The recomple the well to the Penrose Skelly Grayburg formation. After a test period to determine rates for the Grayburg complete, Marathon would be requesting to open the San Andres back to production in a DHC well bore with the Grayburg and San Andres.

<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 NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> Signature: <i>Charles E. Kendrix</i> Printed name: Charles E. Kendrix Title: Reg Compliance Rep E-mail Address: cekendrix@marathonoil.com Date: 07/26/2007 Phone: 713-296-2096	<b>OIL CONSERVATION DIVISION</b>	
	Approved by: <i>[Signature]</i>	
	Title:	Approval Date: JUL 31 2007
	Expiration Date:	
<b>Oil Conservation Division</b> Conditions of approval: Approval for drilling ONLY --- CANNOT produce Downhole Commingled until DHC is approved in Santa Fe.		

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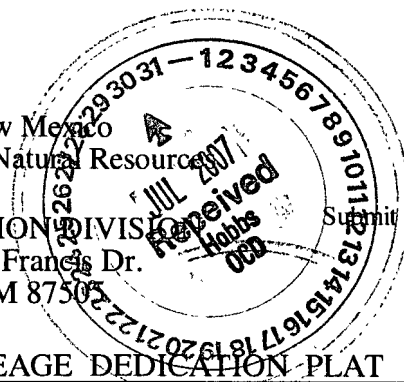
State of New Mexico  
Energy, Minerals & Natural Resources

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

Form C-102  
Revised October 12, 2005

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 30-025-37070		<sup>2</sup> Pool Code 50350		<sup>3</sup> Pool Name Penrose Skelly Grayburg	
<sup>4</sup> Property Code 006478		<sup>5</sup> Property Name William Turner			<sup>6</sup> Well Number 5
<sup>7</sup> OGRID No. 14021		<sup>8</sup> Operator Name Marathon Oil Company			<sup>9</sup> Elevation 3480

<sup>10</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
J	29	21-S	37-E		2310	South	2310	East	Lea

<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 Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

16				<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>Charles E. Kendrix</i> 07/26/2007 Signature Date</p> <p>Charles E. Kendrix Printed Name</p> <p>Regulatory Compliance Rep</p>
				<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey Signature and Seal of Professional Surveyer:</p> <p>Certificate Number</p>