

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
⁴ Property Code 006442		³ API Number 30- 025-10442
⁵ Property Name J.L. Muncy		⁶ Well No. 12131415161718192021222324252627282930
⁹ Proposed Pool 1 Tubb 86440		¹⁰ Proposed Pool 2 A

⁷ Surface Location							
UL or lot no. N	Section 24	Township 22-S	Range 37-E	Lot. Idn	Feet from the 350	North/South Line South	Feet from the 1720
						East/West line West	County Hobbs 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 A	¹² Well Type Code G	¹³ Cable/Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3320'
¹⁶ Multiple N	¹⁷ Proposed Depth	¹⁸ Formation Tubb	¹⁹ Contractor	²⁰ Spud Date 12/2007
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"/>				

²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17"	13 3/8"	48#	302'	250	Surface
11"	8 5/8"	32#	2801'	1500	Surface
8"	5 1/2"	17#	6955'	750	2,380
Permit Expires 1 Year From Approval Date Unless Drilling Underway Adding					

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 isolate the existing Drinkard and Blinebry perforations under a CIBP and recomple the J.L. Muncy No 3 to the Tubb formation. An application has been sent to the NMOCD's Santa Fe office requesting simultaneous dedication of the 80 acre tract consisting of the E/2 of the S/W quarter in section 24 to the J.L. Muncy No 2 & 3 wells. In addition Marathon is requesting in that filing a non-standard gas well location be granted for the J.L. Muncy No 3. Work to recomple the Tubb formation will follow only if NMOCD approves the NSP and NSL for the J.L. Muncy No 3.

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: Regulatory Compliance Rep

E-mail Address: cekendrix@marathonoil.com

Date: 11/12/2007

Phone: 713-296-2096

OIL CONSERVATION DIVISION

Approved by:

Title: OC FIELD REPRESENTATIVE II/STAFF MANAGER

Approval Date: NOV 21 2007 Expiration Date:

Conditions of Approval -- Approval for Drilling only -- Cannot produce until Non-Standard location is approved by the OCD Santa Fe office.

Conditions of Approval: Approval to recomplete & test new zone, but cannot produce Downhole commingle until DHC is approved in Hobbs District office according to R-11363.

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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

¹ API Number 30-025-10442	² Pool Code 86440	³ Pool Name Tubb (Gas)
⁴ Property Code 006442	⁵ Property Name J.L. Muncy	⁶ Well Number 3
⁷ OGRID No. 14021	⁸ Operator Name Marathon Oil Company	⁹ Elevation 3320'

¹⁰ Surface Location

UL or lot no. N	Section 24	Township 22S	Range 37E	Lot. Idn	Feet from the 330	North/South line South	Feet from the 1720	East/West line West	County Lea
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¹¹ 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
¹² Dedicated Acres 80	¹³ Joint or Infill Y	¹⁴ Consolidation Code	¹⁵ 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

¹⁶				¹⁷ OPERATOR CERTIFICATION 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. Signature <u>Charles E. Kendrix</u> Date <u>11/12/07</u> Printed Name Charles E. Kendrix Reg Compliance Rep
				¹⁸ 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. Date of Survey Signature and Seal of Professional Surveyer: Certificate Number