The second se	State of New Mex	vico		Form <b>C-103</b>
Submite3 Copies Repropriate District	Energy, Minerals and Natura			June 19, 2008
District I 1625 N. French Dr., Hobbs, NM 88240			WELL API NO 30-025-3707	
District II ULL is a rilling 1301 W. Grand Ave., Artesia, NM 88210	DIVISION	5. Indicate Type of Lease		
District III 1000 Rio Brazos HOBBSOCD	District III 1220 South St. Francis Dr.			EE 🛛
District IV 1220 S. St. Francis Dr., Santa Fe, NM	Santa re, nivi or.	505	6. State Oil & Gas Lease N	
87505	S AND REPORTS ON WELLS		7. Lease Name or Unit Age	reement Name
(DO NOT USE THIS FORM FOR PROPOSAL DIFFERENT RESERVOIR. USE "APPLICAT	S TO DRILL OR TO DEEPEN OR PLU	G BACK TO A	WILLIAM TUR	
PROPOSALS.) 1. Type of Well: <b>Oil Well</b> G	as Well 🗌 Other	-	8. Well Number #5	/
2. Name of Operator Marathon (	Dil Company /		9. OGRID Number 14021	)
3. Address of Operator			10. Pool name or Wildcat Eunice; San Andres / Penrose-S	kelly: Grayburg
5555 San Felipe Hous	ston, Texas 77056 <u>Mail S</u>	Stop #3308		
4. Well Location	from the <b>South</b> line and	2310' feet f	rom the <u>East</u> line	
Unit Letter J 2310' feet f Section 29 Tow	rnship 21-S Range	<b>37-E</b> NMP		/
Section 25 Fee	11. Elevation (Show whether DR,	RKB, RT, GR, etc.		State State States
	3480' GL , 3	3491' KB		
12. Check Ap	propriate Box to Indicate Na			
NOTICE OF INT	ENTION TO:		SEQUENT REPORT	
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WOR		NG CASING 🗌
	CHANGE PLANS	CASING/CEMEN		
PULL OR ALTER CASING				
			OLE COMMINGLE OPERA	
OTHER: 13 Describe proposed or comple	ted operations. (Clearly state all p	pertinent details, an	d give pertinent dates, includ	ling estimated date
of starting any proposed work or recompletion.	k). SEE RULE 1103. For Multip	le Completions: At	tach wellbore diagram of pr	oposed completion
*Marathon Oil Company has complet Administrative Order <u>DHC-4113</u> , an of all work performed during this op				
approval letter.				
	T 2000	Rig Release Date	e: 26-NOV-2008	
Spud Date: 20-NO	V-2008	Kig Kelease Date	201107 2000	
I hereby certify that the information a	bove is true and complete to the b	est of my knowled	ge and belief.	
SIGNATURE Rick B.	Jehol	<b>Regulatory Comp</b>	oliance Representative DA	ГЕ: <u>4-<b>DEC-2008</b></u>
Type or print name: Rick R Schell,				<u>12</u>
For State Use Only APPROVED BY:	TITLE P	ETROLEUM ENG	DATE	DEC 1 1 2008
Conditions of Approval (if any):				

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



Administrative Order DHC-4113 Order Date: 11/9/2008 Application Reference Number: pKVR0827057334

MARATHON OIL CO PO Box 1324 ARTESIA, NM 88211

Attention: FRANK KAUGH

	WILLIAM TURNER Well No. 005 API No: 30-025-37070	
	Unit J, Section 29, Township 21 South,	Range 37 East, NMPM
	Lea County, New Mexico	
Pool:	EUNICE;SAN ANDRES	Oil 24150
Names:	PENROSE SKELLY; GRAYBURG	Oil 50350

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

EUNICE;SAN ANDRES Pool	Pct Gas: 90	Pct Oil: 12
PENROSE SKELLY;GRAYBURG Pool	Pct Gas: 10	Pct Oil: 88

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.



Administrative Order DHC-4113 MARATHON OIL CO 11/9/2008 Page 2 of 2

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

MARK E. FESMIRE, P.E. Director

MEF/wvjj

cc: Oil Conservation Division - Hobbs





			ol	· · · ·	jer re	Oil Company Page 1 of 1 ummary Report
Legal Well M Common W Event Name Contractor N	/ell Name:  V e:	VORKO\ (EY ENE	TURNE /ER :RGY S	ER 05 ERVIC	ES	Spud Date: 6/18/2005 Start: 11/20/2008 End: 11/26/2008 Rig Release: 11/26/2008 Group:
Rig Name:	٢	KEY ENE	RGY S	ERVIC	ES	Rig Number: 340
Date	From - To	Hours	Code	Sub Code	Phase	Description of Operations
11/20/2008	12:00 - 15:30		RURD	RIG_	MIRU	Held Safety Meeting. Moved in and spotted up rig to rig up in the morning.
11/21/2008	15:30 - 16:00 06:30 - 07:30	1 1	SECURE RURD	WELL RIG_	RODOP MIRU	Secure Well. SDFN. Held Safety Meeting. RU Pulling Unit. RU Reverse unit. Blow down Tubing pressure.
	07:30 - 09:00	1.50	RUNPUL	RODS	RODOP	Unhang well. POOH w/ 50 - 1.0" KD Rods, 93 - 7/8" KD Rods, 10 - 1.0" KD Rods, and 2" rod insert pump.
	09:00 - 10:00	1.00	NUND	BOPE	RODOP	Kill Well down Tubing. Remove Well Head. Release TAC, Install BOPE.
	10:00 - 13:00		RUNPUL RUNPUL		RODOP	Pooh w/ 2-7/8" J-55 Tbg and BHA Tallying. RIH w/ retrieving head and tbg and released RBP. Pooh w/ same. Rbih w/
	13:00 - 17:00	4.00	RUNPUL	IBG_	RODUP	4-3/4" Bit, scraper and tbg. Tagged at 4058'. (top of fish in the hole) PU to above perfs, shut down for night.
	17:00 - 17:30	0.50	SECURE	WELL	RODOP	Shut-in and Secure Well. SDFN.
11/24/2008	07:00 - 07:30		SAFETY		RODOP	Held Safety Meeting Open Well up. POOH w/ tbg, scraper and bit.
	07:30 - 10.00	2.50	RUNPUL	TUBE	CLNOUT RODOP	RU tubing testers.
	11:00 - 13:00		RUNPUL		RODOP	RIH hydrotesting w/ Bull plugged 4' Perf sub, Pump Barrel, 15 Jts 2-7/8" J-55 Tubing, 2-7/8" x 5-1/2" TAC, and 114 Jts 2-7/8" J-55, 24' tbg subs and 1 - jt 2 7/8" J55. Total of 129 Jts above barrel. TAC @ 3638'. Bottom of bull plugged perf sub @ 4059', 3' off top of fish left in the hole. PBTD
	13:00 - 14:30	1.50	NUND	BOPE	RODOP	(4062'). Remove BOPE. Set TAC in 15 pts Tension. Install Well Head. Change ou equipment to run Rods.
	14:30 - 17:30	3.00	RUNPUI	RODS	RODOP	Pick up rods and rih w/ on / off tool, 10 - 1.0" KD's, 93 - 7/8" KD's, 56 - 1.0" KD's, 2' x 1.0" KD pony rod and 1.25"x26' PR w/ 1.50"x16' Liner. Hung well on. L&T to 1000#. Held good w/ good pump action. Well pumped for 15 mins then quit. Pulled in loose sand. Will have to pooh w/
	17:30 - 18:00	0.50	SECURI	WELL	RODOP	everything tomorrow. Secure Well. SDFN. (Well head flange is 6" x 900) 5 1/2" csg @ 17#
11/25/2008	07:00 - 07:30	0.50	SAFETY	MTG_	RODOP	Held Safety Meeting. Open Well up.
	07:30 - 09:00		RUNPU		RODOP	Unbeam well, pooh w/ rods and on/off tool. ND WH, Unset TAC, NU BOPE.
	09:00 - 10:00		NUND RUNPU		RODOP CLNOUT	Pooh w/ the and bottom hole assembly. Had sand in pump and bull plug.
	11:00 - 13:00		RUNPU		RODOP	Rbih w/ Bull plug, 5 jts 2-7/8" tbg for cavity, Cavins Desander/Gas seperator, SN, Alloy jt, 5-1/2" TAC and 112 Jts 2-7/8" J-55, Total of 113 Jts above SN. TAC @ 3497'. Bottom of bull plugged cavity pipe @ 3708' 350' off top of fish left in the hole @ 4062' and 29' above top Grayburg perf.
	13 <sup>.</sup> 00 - 14:30	1.50	NUND	BOPE	RODOP	Remove BOPE. Set TAC in 15 pts Tension. Install Well Head. Change ou equipment to run Rods.
	14.30 - 17:30	3.00	RUNPU	LRODS	RODOP	Pick up rods and rih w/ 2.5 - 2.00" RWBC 20' x 4' plunger, 10 - 1.0" KD's, 93 - 7/8" KD's, 36 - 1.0" KD's, 2' x 1.0" KD pony rod and 1.25"x26' PR w 1.50"x16' Liner. Hung well on. L&T to 1000#. Held good w/ good pump action.
	17:30 - 18:00	0.50	SECUR		RODOP	Secure Well, SDFN. (Well head flange is 6" x 900) 5 1/2" csg @ 17#
11/26/2008	07:00 - 09:30 09:30 - 11:30	2.50	SAFET	Y MTG_ RIG_	RODOP RDMO	Pre-Job safety meeting. Check Pump Action Well pumping ok. RDMO Pulling Unit. Clean and Inspect Location. Left well pumping to facility.
						Printed 12/4/2008 3 46 47 PM