

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised May 08, 2003

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-36422
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Amerada Hess Corporation		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 840 Seminole, Texas 79360		7. Lease Name or Unit Agreement Name B M Marcus
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>20</u> Township <u>20S</u> Range <u>38E</u> NMPM County <u>Lea</u>		8. Well Number 3
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3553'		9. OGRID Number 000495
		10. Pool name or Wildcat Skaggs Drinkard, Blinebry Oil & Gas, Warren; Tubb

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Downhole Commingle well <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Per R-11363

Plan to MIRU pulling unit. NU BOP. TIH w/gauge ring on 2 7/8" tbg to top of float collar @ +/-7044'. TOH. Circulate clean. RU wireline. Run CBL log from PBTD to 3000'. RIH w/4" csg guns loaded w/3 spf and perf csg in following intervals: Skaggs Drinkard (57000) from 6715'-6940', Warren; Tubb (87080 or 63280 based on gravity) from 6520'-6686.3', and Blinebry (06660) from 5904'-6092'. TIH w/prod eqpt and begin producing well as downhole commingled.

Working, royalty and overriding royalty interests are identical in all commingled zones.
Commingling will not reduce the value of production.
Well is located on private land.
Allocation based on well tests and fixed percents.

Attachment: reservoir data to support commingling percentages.

DHC Order No. HOB-0067

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

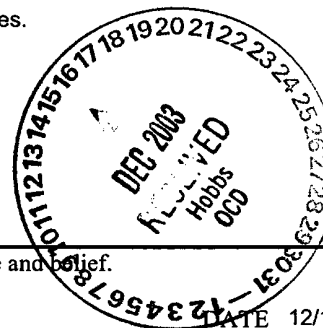
SIGNATURE Carol J. Moore TITLE Senior Advisor DATE 12/11/2003

Type or print name Carol J. Moore cmoore@hess.com Telephone No. (432)758-6738

(This space for State use)

APPROVED BY Paul J. Moore TITLE PETROLEUM ENGINEER DATE JAN 13 2004

Conditions of approval, if any:



ALLOCATION OF PRODUCTION FOR MARCUS #3 WELL
(Allocation by zone for Drinkard, Tubb, and Blinebry zones based on offset reserves)

SKAGGS DRINKARD (57000)		
WELL NAME	RESERVES	
	MBO	MMCF
B.M. MARCUS #2	9	138
F. TURNER JR B #2	2	60
M.J. RALEY #2	9	58
F. TURNER A #7	2	36
TOTAL FOR ZONE	22	292
AVERAGE	6	73
ALLOCATION PERCENTAGE	3%	20%

(GAS)

WARREN TUBB (87080 / 63280) nm		
WELL NAME	RESERVES	
	MBO	MMCF
B.M. MARCUS #2	118	157
CONOCO BURGER B-20 #1 (SW OFFSET)	60	66
CONOCO BURGER B-20 #2 (S OFFSET)	255	242
CONOCO BURGER B-20 #3 (SE OFFSET)	14	57
TOTAL FOR ZONE	447	522
AVERAGE	112	131
ALLOCATION PERCENTAGE	66%	36%

BLINEBRY OIL AND GAS (6660)		
WELL NAME	RESERVES	
	MBO	MMCF
B.M. MARCUS #2	47	189
CONOCO BURGER B-20 #1 (SW OFFSET)	43	108
CONOCO BURGER B-20 #2 (S OFFSET)	98	233
CONOCO BURGER B-20 #3 (SE OFFSET)	23	112
TOTAL FOR ZONE	211	642
AVERAGE	53	161
ALLOCATION PERCENTAGE	31%	44%

TOTAL FOR ALL ZONES	680	1456
AVERAGE FOR ALL ZONES	170	364