

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

Form C-103
 Revised June 10, 2003

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

WELL API NO. 30-025- 03037 07037
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Mark Owen
8. Well Number #1
9. OGRID Number
10. Pool name or Wildcat Tubb & Drinkard
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,393' - KB

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.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Marathon Oil Company

3. Address of Operator
 P.O. Box 552 Midland, TX 79702

4. Well Location
 Unit Letter L: 1,980' feet from the South line and 660' feet from the West line
 Section 35 Township 21S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3,393' - KB

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Downhole Commingle <input checked="" 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.

Marathon Oil Company requests authorization to downhole commingle the Tubb & Drinkard pools in the Mark Owen 1.
 The scope of the proposed workover is to drill out bridge plugs to reactivate the temporarily abandoned Drinkard zone and place well on rod pump
 Please find attached a wellbore diagram and production plots for all zones.

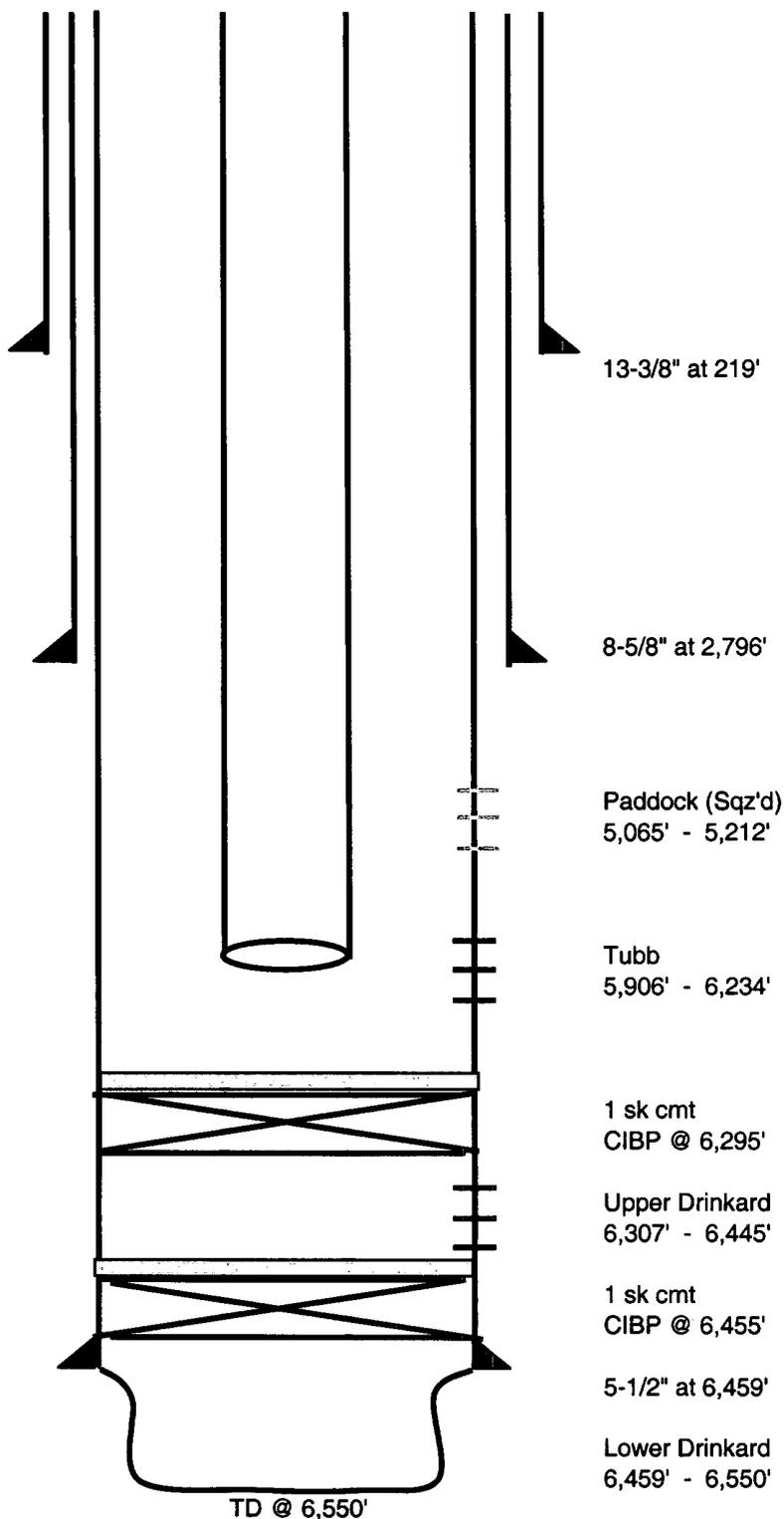


DHC Order No. HOB-0072

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
 SIGNATURE Brent Lockhart TITLE Engineer DATE 1/6/04

Type or print name Brent Lockhart E-mail address: BDLockhart@MarathonOil.com Telephone No. 713 296 2224
 (This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER JAN 21 2004
 Conditions of approval, if any:



Field: Drinkard

Lease & Well: Mark Owen Well No. 1

Location: Unit L, 1980' FSL & 660' FEL
Section 35, T-21-S, R-37-E

County & State: Lea County, New Mexico

Status: Plunger Lift

TD: 6,550' **PBTD:** 6,295' **GL:** 3,380' **KB:** 3,393'

Surface Casing: 13-3/8", 48#, H-40 ST&C casing
set @ 219'. Cmt'd w/300 sks.

Intermediate Casing: 8-5/8", 32#, H-40 ST&C casing
set @ 2,796'. Cmt'd w/1,500 sks.

Production Casing: 5-1/2", 17# casing
set @ 6,459'. Cmt'd w/600 sks

Tubing:

History:

- 1946 - Drilled & completed as openhole Lower Drinkard
- 1974 - Abandoned Lower Drinkard. Perf'd Upper Drinkard
- 1989 - Recompleted to Tubb
- 1992 - Tested Lower Paddock, cement squeezed. Added Upper Paddock. Duled w/Tubb Tubb flowing & Paddock on rod pump.
- 1994 - Paddock perms isolated w/pkr
- 1998 - Squeezed Upper Paddock. Install 2-3/8" tbg
- 2001 - Place on plunger lift

- Tubb** - Testing 160 MCFD, 1/2 BOPD, 0 BWPD
- Upper Drinkard** - SI 1989 - Flowing 20 MCFPD
- Lower Drinkard** - SI 1974 - Flowing 3 BOPD & 50 MCFD

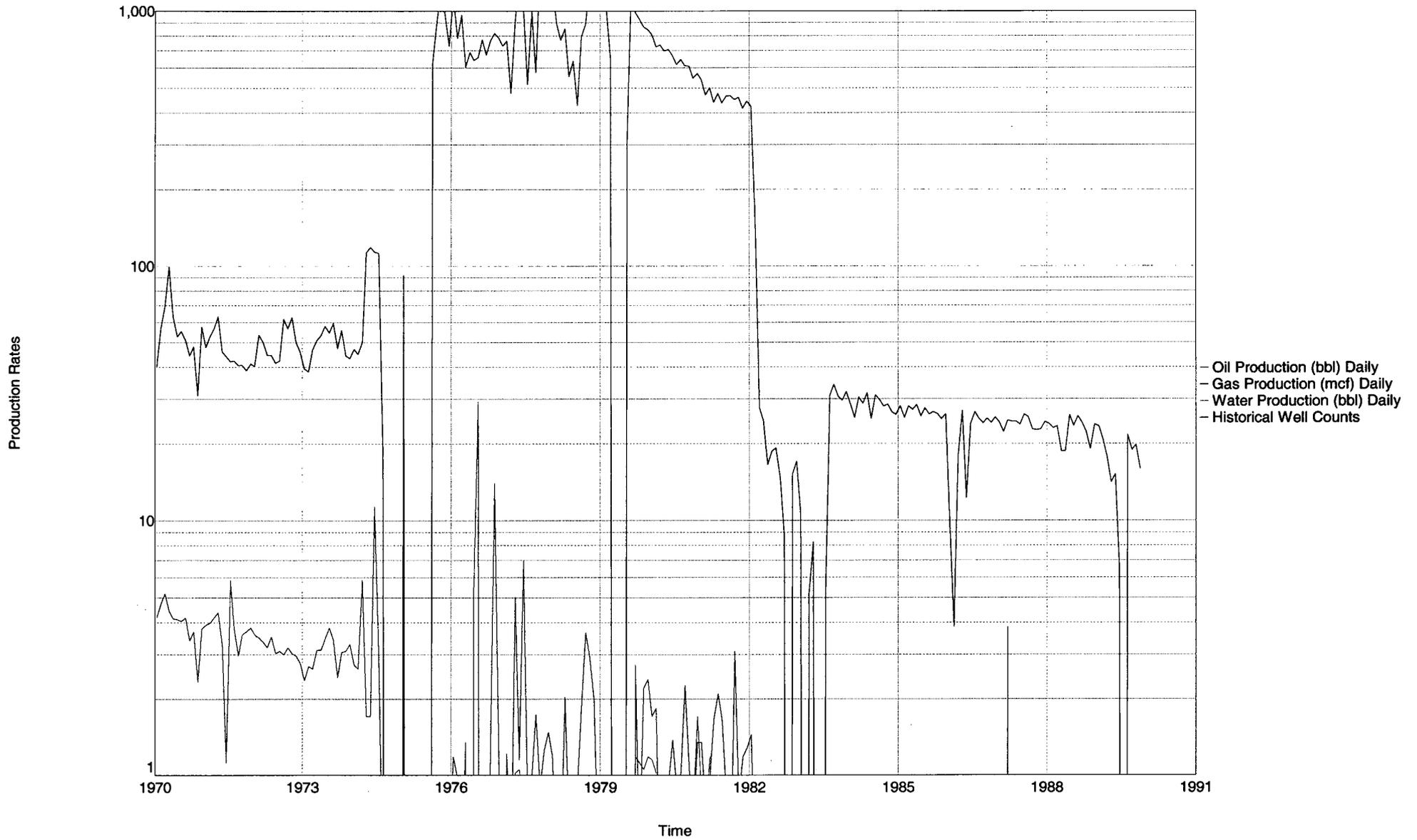
Cums	MBO	MMCF
Tubb	2.2	1,443
Drinkard	248.4	2,397

**Mark Owen Well No. 1
DHC Attachment**

- i) Pre-approved pool status was established by Division Order R-11363
- ii) Tubb (86440) & Drinkard (19190)
- iii) Tubb (5,906' – 6,234') & Drinkard (6,307' – 6,550')
- iv) Tubb (60% gas & 20% oil) & Drinkard (40% gas & 80% oil). Supported from tests prior to temporary abandonment.
- v) The proposed commingling will not reduce the value of the total remaining production
- vi) The ownership and percentages are identical for the zones.

Lease Name: MARK OWEN #1
County, State: LEA, NM
Operator: MARATHON OIL COMPANY
Field: DRINKARD
Reservoir: DRINKARD
Location: 35 21S 37E NW SW

MARK OWEN - DRINKARD



#1

Lease Name: MARK OWEN
County, State: LEA, NM
Operator: MARATHON OIL COMPANY
Field: TUBB
Reservoir: TUBB
Location: 35 21S 37E NW SW

MARK OWEN - TUBB

