District I - (505) 393-6161
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-1
Originated 11/1

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District Of

H-0014

APPLICATION FOR QUALIFICATION OF WELL WORKOVER PROJECT AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

I. Operator: Marathon Oil Company OGRID #: 14021

Address: P. O. Box 552 - Midland, Texas 79702

Contact Party: Richard E. Pollard Phone: (915) 687-8326

II. Name of Well: Hamon "A" Fed. Com No. 1 API #: 3002530881
Location of Well: Unit Letter J, 1650 Feet from the south line and 1980 feet from the east line,
Section 7, Township 20-S, Range 34-E, NMPM, Lea County

III. Date Workover Procedures Commenced: September 15, 1995
Date Workover Procedures were Completed: September 25, 1995

IV. Attach a description of the Workover Procedures undertaken to increase the projection from the Well.

V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.

VI. Pool(s) on which Production Projection is based: Morrow

VII. AFFIDAVIT:

State of Texas)
) ss.
County of Midland)

R. E. Pollard being first duly sworn, upon oath states:

1. I am the Operator or authorized representative of the Operator of the above referenced Well.

2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.

3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Richard E Pollard
(Name)

Senior Government Compliance Representati
(Title)

SUBSCRIBED AND SWORN TO before me this 1 day of Feb., 1996

Lue Kirby

Notary Public

My Commission expires: 8-5-96

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 9-25, 1995

District Supervisor, District I Geologist
Oil Conservation Division

Date: 2/2/96

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: _____

FEB 1996
Received
Hobbs
OCD

HAMON 'A' FED. COM NO. 1
DESCRIPTION OF WORKOVER PROCEDURE
(9/15/95 - 9/25/95)

1. MI RU workover rig, NU and tested BOP's.

2. Swabbed on well.

3. Released seal assembly, pulled tubing. RIH with kill string.

4. POOH with kill string, RIH with production assembly, tested tubing going in hole.

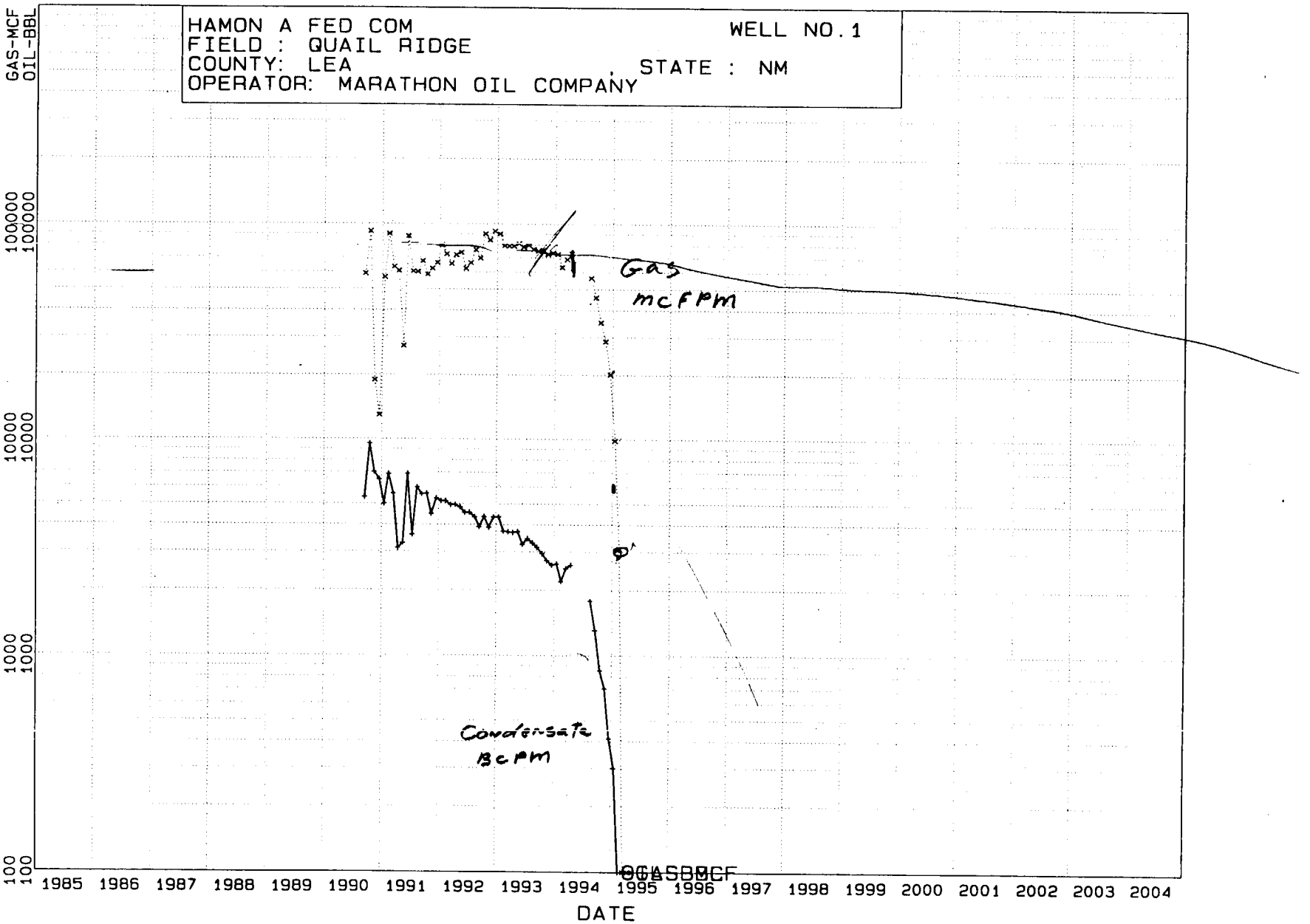
5. ND BOPE, NU wellhead.

6. Acidized Lower Morrow perfs, flowed and swabbed well back.

7. RU BJ frac equipment. Screened out low Morrow perfs while fracing well.

8. Put well back on production.

h:\rep\WOPHamA#1


HAMON A FED COM
WELL NO. 1
FIELD : QUAIL RIDGE
COUNTY: LEA
STATE : NM
OPERATOR: MARATHON OIL COMPANY
GAS-MCF
OIL-BBL
100000
100000
10000
10000
1000
1000
100
100
Gas
mcfpm
Condensate
Bcpm
1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004
DATE

HAMON 'A' FED. COM NO. 1
BASIS OF PRODUCTION PROJECTION

Basis of Production Projection: Other method

In mid 1994 production from this flowing Morrow gas well started to decline dramatically. By May of 1995 the well only produced a little over 1 MCFPD, no condensate and was shut-in as uneconomical.

No decline can be established on a shut-in well and the production projection is zero. Without this workover this well would have remained shut-in or be plugged.

A production decline curve is attached to show how production had declined abnormally indicating that remedial work was necessary.

h:\rep\PrPrHamA#1

HAMON A FED COM WELL NO. 1
API NO. 30025308810000
QUAIL RIDGE FIELD
LEA COUNTY , NM

DATE: 01/31/96
TIME: 13:32:21
PAGE: 1
MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	0	0
10/95	0	0
11/95	0	0
12/95	0	0
YTD/95	0	0
1/96	0	0
2/96	0	0
3/96	0	0
4/96	0	0
5/96	0	0
6/96	0	0
7/96	0	0
8/96	0	0
9/96	0	0
10/96	0	0
11/96	0	0
12/96	0	0
TOT/96	0	0
1/97	0	0
2/97	0	0
3/97	0	0
4/97	0	0
5/97	0	0
6/97	0	0
7/97	0	0
8/97	0	0
9/97	0	0
10/97	0	0
11/97	0	0
12/97	0	0
TOT/97	0	0
TOTAL	0	0

HAMON A FED COM WELL NO. 1
API NO. 30025308810000
QUAIL RIDGE FIELD
LEA COUNTY , NM

DATE: 01/31/96
TIME: 13:32:22
PAGE: 2
MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	0	0
1/98	0	0
2/98	0	0
3/98	0	0
4/98	0	0
5/98	0	0
6/98	0	0
7/98	0	0
8/98	0	0
9/98	0	0
10/98	0	0
11/98	0	0
12/98	0	0
TOT/98	0	0
1/99	0	0
2/99	0	0
3/99	0	0
4/99	0	0
5/99	0	0
6/99	0	0
7/99	0	0
8/99	0	0
9/99	0	0
10/99	0	0
11/99	0	0
12/99	0	0
TOT/99	0	0
1/00	0	0
2/00	0	0
3/00	0	0
4/00	0	0
5/00	0	0
6/00	0	0
7/00	0	0
8/00	0	0
9/00	0	0
10/00	0	0
11/00	0	0
12/00	0	0
TOT/00	0	0
TOTAL	0	0

HAMON A FED COM WELL NO. 1
API NO. 30025308810000
QUAIL RIDGE FIELD
LEA COUNTY , NM

DATE: 01/31/96
TIME: 13:32:23
PAGE: 3
MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	0	0
1/01	0	0
2/01	0	0
3/01	0	0
4/01	0	0
5/01	0	0
6/01	0	0
7/01	0	0
8/01	0	0
9/01	0	0
10/01	0	0
11/01	0	0
12/01	0	0
TOT/01	0	0
1/02	0	0
2/02	0	0
3/02	0	0
4/02	0	0
5/02	0	0
6/02	0	0
7/02	0	0
8/02	0	0
9/02	0	0
10/02	0	0
11/02	0	0
12/02	0	0
TOT/02	0	0
1/03	0	0
2/03	0	0
3/03	0	0
4/03	0	0
5/03	0	0
6/03	0	0
7/03	0	0
8/03	0	0
9/03	0	0
10/03	0	0
11/03	0	0
12/03	0	0
TOT/03	0	0
TOTAL	0	0

HAMON A FED COM WELL NO. 1
API NO. 30025308810000
QUAIL RIDGE FIELD
LEA COUNTY , NM

DATE: 01/31/96
TIME: 13:32:24
PAGE: 4
MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	0	0
1/04	0	0
2/04	0	0
3/04	0	0
4/04	0	0
5/04	0	0
6/04	0	0
7/04	0	0
8/04	0	0
9/04	0	0
10/04	0	0
11/04	0	0
12/04	0	0
TOT/04	0	0
1/05	0	0
2/05	0	0
3/05	0	0
4/05	0	0
5/05	0	0
6/05	0	0
7/05	0	0
8/05	0	0
9/05	0	0
10/05	0	0
11/05	0	0
12/05	0	0
TOT/05	0	0
1/06	0	0
2/06	0	0
3/06	0	0
4/06	0	0
5/06	0	0
6/06	0	0
7/06	0	0
8/06	0	0
9/06	0	0
10/06	0	0
11/06	0	0
12/06	0	0
TOT/06	0	0
TOTAL	0	0

HAMON A FED COM WELL NO. 1
API NO. 30025308810000
QUAIL RIDGE FIELD
LEA COUNTY , NM

DATE: 01/31/96
TIME: 13:32:25
PAGE: 5
MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	0	0
1/07	0	0
2/07	0	0
3/07	0	0
4/07	0	0
5/07	0	0
6/07	0	0
7/07	0	0
8/07	0	0
9/07	0	0
10/07	0	0
11/07	0	0
12/07	0	0
TOT/07	0	0
1/08	0	0
2/08	0	0
3/08	0	0
4/08	0	0
5/08	0	0
6/08	0	0
7/08	0	0
8/08	0	0
9/08	0	0
10/08	0	0
11/08	0	0
12/08	0	0
TOT/08	0	0
1/09	0	0
2/09	0	0
3/09	0	0
4/09	0	0
5/09	0	0
6/09	0	0
7/09	0	0
8/09	0	0
9/09	0	0
10/09	0	0
11/09	0	0
12/09	0	0
TOT/09	0	0
TOTAL	0	0

HAMON A FED COM WELL NO. 1
API NO. 30025308810000
QUAIL RIDGE FIELD
LEA COUNTY , NM

DATE: 01/31/96
TIME: 13:32:25
PAGE: 6
MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	0	0
1/10	0	0
2/10	0	0
3/10	0	0
4/10	0	0
5/10	0	0
6/10	0	0
7/10	0	0
8/10	0	0
9/10	0	0
10/10	0	0
11/10	0	0
12/10	0	0
TOT/10	0	0
TOTAL	0	0