

Submit to Appropriate
District Office
State Lease -- 6 copies
Fee Lease -- 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)
30-025-31185
5. Indicate Type of Lease
STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
A-2614

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work:					
DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>					
b. Type of Well:					
OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>					
SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator					
Marathon Oil Company					
3. Address of Operator					
P. O. Box 552, Midland, TX 79702					
4. Well Location					
Unit Letter N : 800 Feet From The south Line and 1980 Feet From The west Line					
Section 16 Township 22-S Range 36-E NMPM Lea County					
10. Proposed Depth					
4000'					
11. Formation					
Queen 7-Rivers/Grayburg					
12. Rotary or C.T.					
rotary					
13. Elevations (Show whether DF, RT, GR, etc.)					
3538.7' GL					
14. Kind & Status Plug. Bond					
Blanket-Current					
15. Drilling Contractor					
Unknown					
16. Approx. Date Work will start					
March 20, 1991					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8-5/8"	24#	450'	200	Circulate
7-7/8"	5-1/2"	15.5#	4000'	850	Circulate

Plan to drill to 4000'.

Cement and test all casing by approved methods.

Blowout prevention equipment will be a 14" annular or rotating head for the surface hole and an 11" 3M Annular, 11" 3M dual ram with remote controls and 3M choke system for the 7-7/8" hole.

Well is anticipated to be completed as a 7-Rivers/Queen Grayburg producer.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE S. L. Atnipp TITLE Drilling Superintendent DATE 2/26/91

TYPE OR PRINT NAME S. L. Atnipp TELEPHONE NO. 915/682-162

(This space for State Use)

APPROVED BY ORIGINAL SIGNED BY DEPT. APPROVED TITLE DISTRICT ENGINEER DATE MAR 05 1991

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.