

District I - (505) 393-6161

PO 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

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-139

Originated 11/1/95

Submit Original

Plus 2 Copies

to appropriate

District Office

H-0305

APPLICATION FOR
QUALIFICATION OF PRODUCTION RESTORATION PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION 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: Dayton Hardy No. 1 API #: 3002509927

Location of Well:

Unit Letter I, 2310 Feet from the S line and 330 feet from the E line, Section 20,
Township 21-S, Range 37-E, NMPM, Lea County

III. Previous Producing Pool Name: Grayburg and Yates-Seven Rivers-Queen

IV. Describe the process used to return the well to production. (Attach additional information if necessary):
Drilled out CIBP @ 3410', bailed sand, tested well with jet pump, pulled jet pump and installed
rod pump.

V. Date the Production Restoration Project was commenced: December 12, 1996

Date the well was returned to production: December 20, 1996

VI. Identify the Oil Conservation Division records which show the Well had thirty (30) days or less production between January 1, 1993 and December 31, 1994:

[] Ongard inactive well list; or [X] OCD Form C-115 (Operator's Monthly Report)

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 personal knowledge of the facts contained in this Application for Qualification of a Production Restoration Project.
3. The data utilized to prepare this application is complete and correct.

R. E. Pollard
(Name) R. E. Pollard

(Title) Senior Government Compliance Representative

4/17/97

SUBSCRIBED AND SWORN TO before me this 14 day of April 19 97.
Lucy Kirby
Notary Public

My Commission expires: 8-5-6000

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of a Production Restoration Project is hereby approved and the above referenced Well is designated as a Production Restoration Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). 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 production was restored in this Production Restoration Project on:

12-20-96, 19

Paul J. Kautz
District Supervisor, District 1
Oil Conservation Division

Date: 5/21/97

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