

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
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
May 27, 2004

| | | |
|---|--|---|
| 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. 30-015-28232 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator Marathon Oil Company | | 6. State Oil & Gas Lease No. E-10170 |
| 3. Address of Operator P.O. Box 3487 Houston, TX 77253-3487 | | 7. Lease Name or Unit Agreement Name: North Indian Basin Unit |
| 4. Well Location Unit Letter O : 660 feet from the South line and 1980 feet from the East line Section 2 Township 21S Range 23E NMPM County Eddy | | 8. Well Number 11 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3771' GL | | 9. OGRID Number 14021 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ | | 10. Pool name or Wildcat South Dagger Draw U. Penn Associated |

| | | | |
|---|--|---|---|
| 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: <input type="checkbox"/> | | OTHER: Plug back reservoir/ prep to deepen | <input checked="" 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 has completed work to abandon the South Dagger Draw Upper Penn Associated pool in the North Indian Basin Unit No. 11 well in preparation for deepening to the Wolcamp / Morrow reservoirs. Please see attachments for a description of work completed and a wellbore diagram.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Charles E. Kendrick TITLE Engineering Technician DATE 01/13/2005
Type or print name **Charles E. Kendrick** E-mail address: cekendrix@marathonoil.com Telephone No. **713-296-2096**

For State Use Only

APPROVED BY FOR RECORDS ONLY TITLE _____ DATE _____

Conditions of Approval, if any:

North Indian Basin No. 11
Abandon Upper Penn to prepare to deepen
to Wolfcamp / Morrow

04/01/2004 Rigged up pulling unit. Pulled 60 joints 2 7/8" tubing. Tubing had paraffin inside. RIH hand off on slips. SI

04/02/2004 Hot watered tubing for paraffin. POOH w/ tubing. RIH w/ mills, drill collar and tubing. Tested tubing to 5000 psi, tagged PBTD @ 7900'.

04/03/2004 POOH w/ tubing. RIH w/ bent joint, Baker inflatable plug, XO, release tool, 10 jts AOH & 230 joints 2 7/8" tubing. Enter lateral and RIH to 7990'. Pull up hole to 7963'. Attempted to set inflatable packer unable to set. SI

04/04/2004 Dropped ball and pressured up to 3000 psi on release tool. Released packer & bent joint. Pull up hole to 7572'. (inside casing) Pump 100 sks Thixoset cement followed by 300 sks neat premium cement displaced by 2 bbls water. POH and lay down release tool. RIH w/ killstring. SI

04/05/2004 RIH w/ bit, drill collars. Tagged @ 7900'. Top of CIBP no cement. Drilled and pushed CIBP to 7910'. POOH. RIH w/ bent joint. **Run inside lateral** tagged cement @ 7710'. PUH to 7700'. Spotted 100 sks of Thix-set cement followed by 300 sks premium. Pumped 2 bbls water. Tubing on vacuum. Attempted to pull up hole. Could not pull tubing. Pumped 36 bbls water down tubing. SI

04/06/2004 Rigged up Baker. Tagged cement on wireline inside tubing @ 5432'. Ran free point and cut off tubing @ 5421'. RIH w/ drill collars. Lay down 3 1/2" work string. RIH w/ 2 7/8" kill string. Rigged down pulling unit. SI

04/08/2004 Rigged up rig. Pulled killstring. Ran 6 1/8" shoe, 10 jts 5 1/2" wash pipe, jars, 6 - 4 3/4" drill collars, washed over fish to 5755'.

04/09/2004 Latched on to fish @ 5437, and made back off @ 6080'. Recovered and Laid down 20 jts 2 7/8" tubing. (Cement on the inside). RIH w/ wash over assembly. Washed over fish f/ 6080' to 6155'. Tagged hard cement on 2 nd jt. down. POOH to replace shoe.

04/10/2004 Washed over fish f/ 6155' to 6261'.

04/11/2004 Washed over fish f/ 6261' to 6336'. POOH

04/12/2004 RIH w/ cutter and wash pipe. Cut 2 7/8" tubing @ 6315'. Recovered 7 jts 2 7/8", and one cut joint. RIH w/ kill string and nipped up well head. Shut in well. Rigged down unit pending decision on Morrow deepening.

05/18/2004 Rigged up Key rig. RIH w/ overshot, and jars on 3 1/2" drill pipe. Made two trips catching 11' and 12' of tubing. RIH w/ Piranaha mill assembly.

05/19/2004 Milled tubing and cement f/ 63330' t/ 6341'. POOH change out mill. Milled tbg & cement f/ 6341' to 6342'. POOH w/ mill. RIH w/ shoe and 11 jts 5 1/2" wash pipe. SI

05/20/2004 Milled over tubing f/ 6342' to 6478'.

05/21/2004 Milled over tubing f/ 6478' to 6618'. POOH w/ mill. RIH w/ cutters. Could not get down with cutters. POOH w/ cutters. Cutters plugged.

05/22/2004 POOH w/ cutters recovered joint 2 7/8" tbg f/ cutters. RIH w/ new cutters. Cutters would not go over fish. RIH /w 5 1/2" X 4" milled shoe. Washed and milled f/ 6364' to 6618'.

05/23/2004 POOH w/ mill pick up cutters. Found 2 7/8" tubing wedge in wash pipe. Milled and cut over fish to 6621'.

05/24/2004 Cut over fish f/ 6621' to 6647'. Milled tubing f/ 6638' to 6640'.

05/25/2004 Milled tbg f/ 6640' to 6649'. RIH w/ wash pipe. Plugged wash pipe. POOH. RIH w/ Mill & wash pipe cut over 2 7/8" tubing f/ 6649' t/ 6678'.

05/26/2004 Cut over tubing w/ 6678' to 6679'. TOH excessive torque. Recovered 20' 2 7/8" tbg. TIH w/ shoe , cut over /f 6678' to 6688'.

05/27/2004 Washed over tubing f/ 6888' to 6889' Ran mill. SI

At this point Marathon made the decision to abandon further attempts to mill out the cemented tubing and casing through the Upper Penn lateral @ 7649', The decision was made to attempt complete the well by cutting a new window in the 7" casing at the current depth.