

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM16087

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
HUSKY - MCKAY 1

9. API Well No.
30-005-61616

10. Field and Pool or Exploratory Area
ABO

11. County or Parish, State
CHAVEZ COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
MARATHON OIL PERMIAN LLC
Contact: MELISSA SZUDERA
E-Mail: mszudera@marathonoil.com

3a. Address
5555 SAN FELIPE ST
HOUSTON, TX 77056

3b. Phone No. (include area code)
Ph: 713-296-3179

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 18 T8S R26E Mer NMP SWSE 660FSL 1930FEL

3650' GR

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

- 1) CIBP at ~~2000~~³⁹⁸⁶ with 120sx.
- 2) 20sx ~~2060~~¹⁰⁶⁰ tag. *SEC 0A*
- 3) 65sx 926' - 700' P,S and tag.
- 4) 25sx 100' to surf. P,S verify.

Install DHM
P&A mud between all plugs
Closed Loop
All fluids to licensed facility

RECEIVED

JUL 26 2018

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Gc 7-27-18
Accepted for record - NMOCD

DISTRICT II-ARTESIA O.C.D.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #428178 verified by the BLM Well Information System
For MARATHON OIL PERMIAN LLC, sent to the Roswell
Committed to AFMSS for processing by JENNIFER SANCHEZ on 07/23/2018 ()

Name (Printed/Typed) MELISSA SZUDERA

Title REGULATORY COMPLIANCE REP.

Signature (Electronic Submission)

Date 07/20/2018

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

23 2018

Approved By _____

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

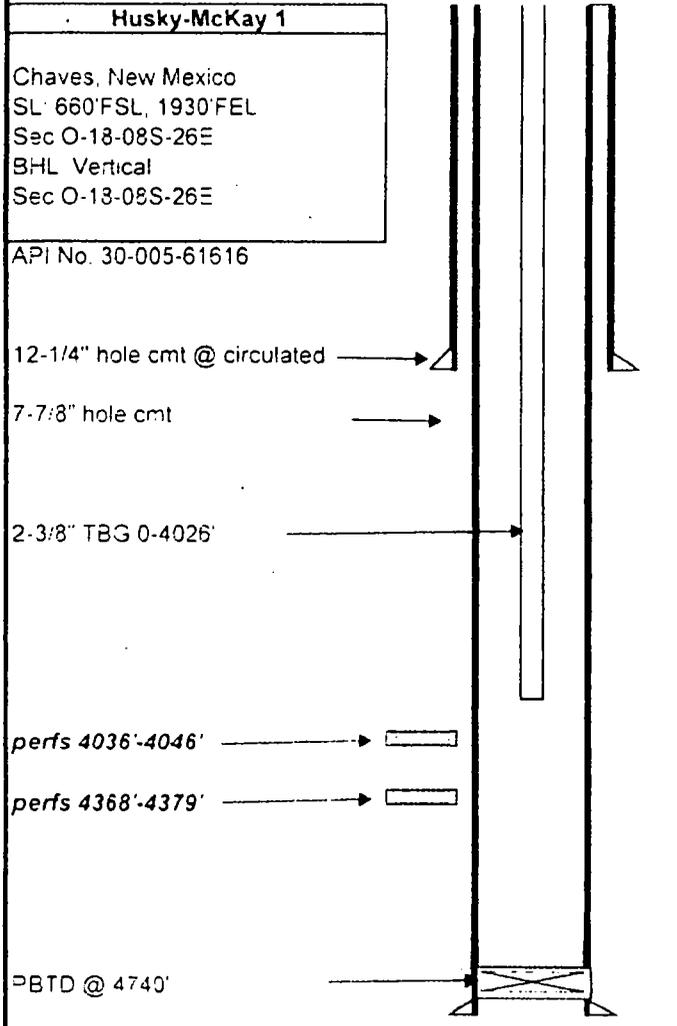
(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

20180720 Husky-McKay 1

Marathon Oil Corporation

VERTICAL WELLBORE DIAGRAM



Casing					
Size	No Jts	Wt	Grade/Thrds	Depth Set (MD)	Depth Set (TVD)
8-5/8"		24	J-55	876	
4-1/2"		10.5	J-55	4750	

Handwritten notes:
 76' 6 4 1/2" J-55
 24 10.5

Description	Length	(MD)	(TVD)
		0.00'	
		0.00'	
		0.00'	
		0.00'	
		0.00'	
		0.00'	

4368 -4379': 2300 gals 7-1/2% HCL
 4036'-4046' 44,200 gals gel + 61,200# sand in 2 stages

PBTD 4740'
 TD 4800'

Handwritten notes:
 1000' to P1A

Handwritten notes:
 7.1.2020 Husky
 4 1/2" cmt w/ 650 gals
 1" 4-1/2" TBG in depth units
 25' 7-1/2" HCL
 M.R.

**Husky-Mckay Federal 1
30-005-61616
Marathon Oil Permian LLC
July 23, 2018
Conditions of Approval**

- 1. Operator shall place CIBP at 3,986' (50'-100' above top most perf) and place 120sx Class C cement on top as proposed. WOC and TAG.**
- 2. Operator shall place a balanced Class C cement plug from 2,000'-1,800' to seal the top of the Glorietta Formation.**
- 3. Operator shall place a balanced Class C cement plug from 926'-700' to seal the shoe.**
- 4. Operator shall place a balanced Class C cement at 100' bringing cement to surface.**
- 5. See Attached for general plugging stipulations.**

JAM 072318

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 W. Second Street
Roswell, New Mexico 88201
575-627-0272

General Requirements for Plug Backs

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. Call 575-627-0205.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement.

Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date work was completed.**

7. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.