

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONS. COMMISSION
P. BOX 1980
HOBBS, NEW MEXICO 88240

FORM APPROVED
Budget Series No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT - " for such proposals

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SUBMIT IN TRIPLICATE

BUREAU OF LAND MGMT.
HOBBS, NM.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Marathon Oil Company

3. Address and Telephone No.

P.O. Box 552, Midland, TX 79702

915-687-8324

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

UL" N° 660' FSL & 1980' FWL SEC 12, T-20-S, R-34-E

5. Lease Designation and Serial No.

NM-02127-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

LEA UNIT

891006455 A

8. Well Name and No.

LEA UNIT 7

9. API Well No.

30-025-02430

10. Field and Pool, or exploratory Area

LEA/BONE SPRING

11. County or Parish, State

LEA CO. NM

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other REQUEST SI STATUS
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

In reply to letter #3162 (067A).

Problems associated with rod pumping this well under a Packer have rendered it uneconomic to operate @ the present oil price. A feasibility study is underway to evaluate the possible deepening and recompletion of the well using a short or medium radius horizontal drilling method. Marathon Oil Co is requesting that the well be allowed to continue it's shut in status until completion of said study. If the project is deemed feasible it would be included in the 1995 budget and work commenced in the 2nd or 3rd quarter of 1995.

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

Signed Thomas M Price

Title Advanced Engineering Tech.

Date 8-29-94

(This space for Federal or State official use)

Approved by (Orig. SGD.) JOE G. LARA

Title

PETROLEUM ENGINEER

Date

9/30/94

Conditions of approval, if any:

See attached.

Title 18 U.S.C. Section 1001, makes 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.

* See instruction on Reverse Side

BUREAU OF LAND MANAGEMENT
CARLSBAD RESOURCE AREA

Temporary Abandonment of Wells on Federal Lands

Conditions of Approval

According to 43 CFR 3162.3-4-c, " No well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer".

Temporary Abandonment (TA) status approval requires a successful casing integrity test as follows:

1. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County call (505) 887-6544 ; for wells in Lea County call (505) 393-3612.
2. A bridge plug or packer shall be set at a maximum of 50 feet above any open perforations or open hole.
3. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
4. The production casing shall be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leak-off.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for 12 months provided that the operator:

1. Submits a subsequent Sundry Notice requesting TA approval,
2. Attaches a clear copy or the original of the pressure test chart,
3. And attaches a detailed justification why the well should not be plugged and abandoned.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.