

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONS. COMMISSION
FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993
P.O. BOX 130
HOBBS, NEW MEXICO 88248

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

SUBMIT IN TRIPLICATE

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

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 Change of Plans
 Recompletion New Construction
 Plugging Back Non-Routine Fracturing
 Casing Repair Water Shut-Off
 Altering Casing Conversion to Injection
 Other Request TA Status 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.)*

7/6/94: MIRU PU. ND tree. NU BOP. POOH with tubing and Packer. Ran USIT survey 7100'-5700'. Ran wireline set CIBP to 9525' and set. Pumped 140 Barrels inhibited water to load hole. Unable to load. ND BOP. NU tree. 7/7/95

Marathon is requesting permission to TA this well as per the procedure below. RU wireline Co. Dump bail 35' of Cement on top of plug @ 9525'. Run CIBP to 5,500' +- and set. Dump bail 35' of cement on top of plug @ 5,500'. WOC. Load hole with Chemically inhibited water. Pressure test casing to 500 PSIG for 30 minutes. Use 1000 PSI pressure recorder during test. Release pressure and RD kill truck.

Possible future productive horizons for this well are a Devonian horizontal, also a Third Bone Spring completion if a planned Lea Unit 12 test is successful. It could also be utilized in a R dolomite project presently being modeled. Delaware production is still a possibility based on shows in Lea Unit # 17.

Budget constraints make it unlikely that any work could commence before Mid 1996.

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

Signed Tom Poise

Title Advanced Engineering Tech.

Date 7/11/95

(This space for Federal or State office use)

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

Title PETROLEUM ENGINEER

Date 8/1/95

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.

NM-02127-B
 API # 30-025-02430

WELL DATA SHEET

FIELD : LEA (BONE SPRING)

LEASE & WELL NO. : LEA UNIT WELL NO.7

LOCATION : UL "N", SECTION 12, T-20-S, R-34-E
 660' FSL & 1980' FWL

COUNTY AND STATE : LEA COUNTY, NEW MEXICO

WELL STATUS : SHUT-IN

TD : 14,540' PBD : 9,525' GL : 3,657' KB : 3,678'

SURFACE CASING : 13 3/8", 48 # ft. @ 868 ft.
 Cmt w/800 sx. Circulate.

INTERMEDIATE CASING : 9 5/8", 36 # ft. @ 5508 ft.
 Cmt w/2725 sx. Circulate.

PRODUCTION CASING : 7", 29 # ft. @ 13,565'
 Cmt w/1300 sx. POC @ 8150'

LINER : 4 1/2", 14,98 # ft. Hydr. liner P-110.
 @ 13,375'-14,540'

Comments:

8/82 Located Csg leaks 5888-6458.

10/82:

Set retainer @ 6183

Sqzd thru retainer W/100 sx.

Set retainer @ 5750

Sqzd w/450 sx.

Pressure tested csg 6186 to surf ok.

Drilled out retainers and cmt. Set

packer 6026. Sqzd leaks 6232-6413

w/100 sx. Drilled out cmt. Csg tested

ok to 6300'. Perfed San Andres 6196-6222

and tested same.

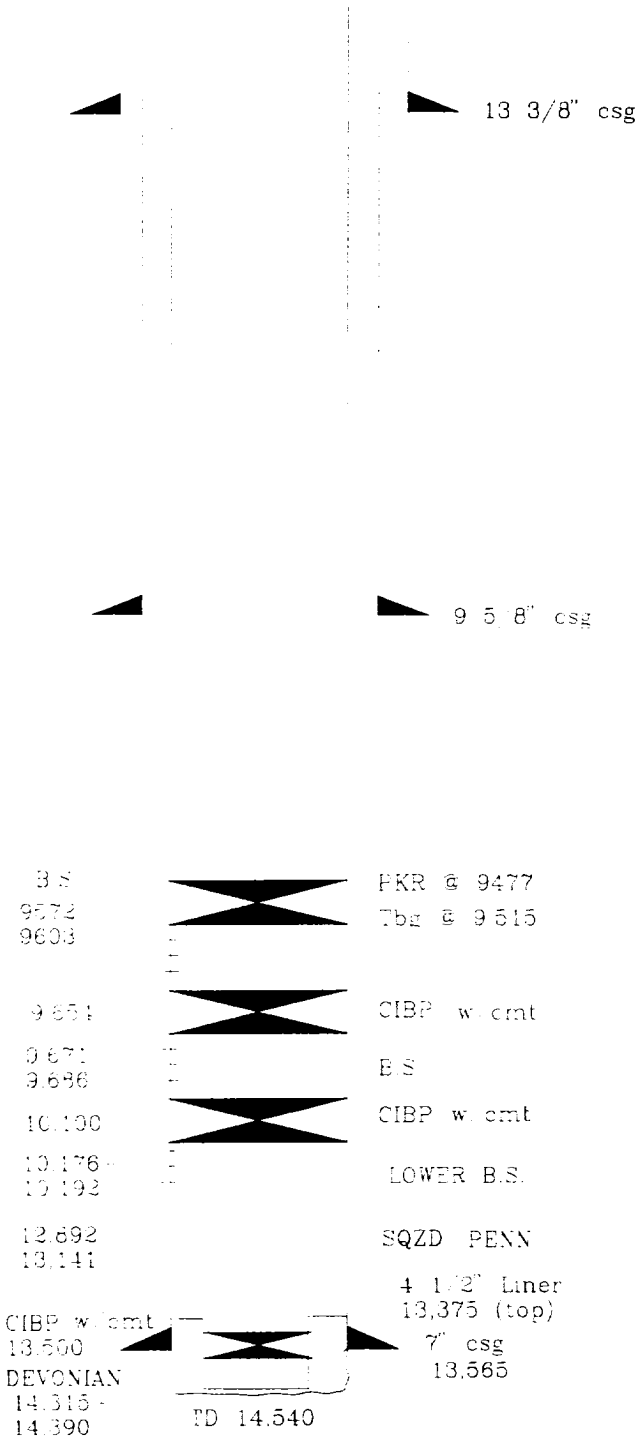
5/87

Set retainer 6173. Sqzd SA perfs w/ 150 sx.

Drilled out retainer. Tested ok above 6210'.

Set retainer 6210'. Sqzd w/250 sx. cmt.

Drilled retainer and cmt.



COMMENTS : CSG INSPECTION LOG INDICATES SEVERE PITTING & CORROSION
 FROM 6000'-8100'

Projected TA Plan

NM-02127-B
API # 30-025-02430

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INTERMEDIATE CASING: 9 5/8", 36 # ft. @ 5508 ft.
Cmt w/ 2725 sx. Circulate

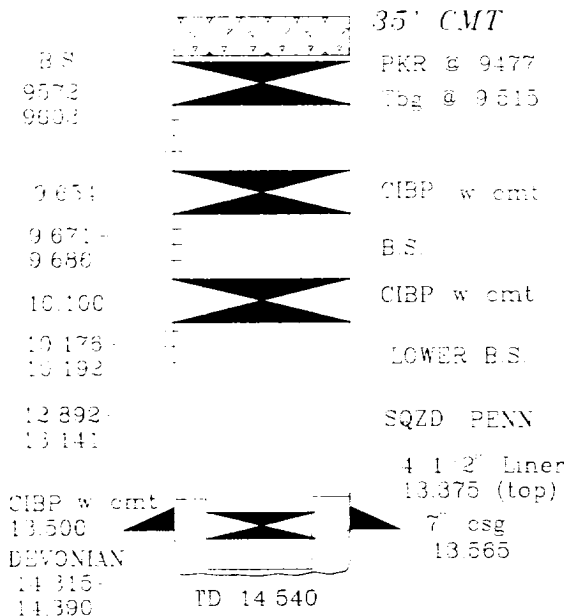
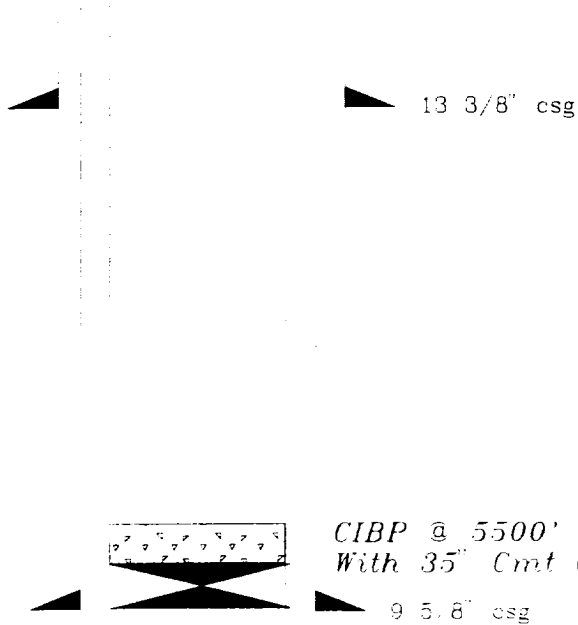
PRODUCTION CASING: 7", 39 # ft. @ 13,565
Cmt w/ 1800 sx. TOC @ 6150

LINER: 4 1/2", 14.98 # ft. Hydr. liner P-110.
@ 13,375-14,540.

Comments:

8/82 Located Csg leaks 5888-6458.
10/82:
Set retainer @ 6186
Sqzd thru retainer w/100 sx.
Set retainer @ 5750
Sqzd w/450 sx.
Pressure tested csg 6186 to surf ok.
Drilled out retainers and cement. Set
packer 6026. Sqzd leaks 6232-6413
w/100 sx. Drilled out cmt. Csg tested
ok to 6300'. Perfed San Andres 6196-6222
and tested same.

5/87
Set retainer 6173. Sqzd SA perfs w/ 150 sx.
Drilled out retainer. Tested ok above 6210'.
Set retainer 6210'. Sqzd w/250 sx. cmt.
Drilled retainer and cmt.



COMMENTS: CSG INSPECTION LOG INDICATES SEVERE PITTING & CORROSION
FROM 6000'-6100'.

RECEIVED

APR 11 1967
U.S. DEPARTMENT OF
COMMERCE

(Rev: 1/12/95)

BUREAU OF LAND MANAGEMENT
CARLSBAD RESOURCE AREA

Temporary Abandonment of Wells on Federal Lands

Conditions of Approval

Temporary Abandonment (TA) status approval requires: A) Successful Casing Integrity Test and, B) Successful Bradenhead Test.

Any temporary abandonment request must be submitted on a Sundry Notice (Form 3160-5), one (1) original signature and five (5) copies, and include the following:

1. Justification why the well should be temporarily abandoned rather than permanently plugged and abandoned.
2. Description of the temporary abandonment procedure.
3. A complete wellbore diagram shown as temporarily abandoned.
4. The anticipated date the operations will occur.

Contact the appropriate BLM office at least 48 hours prior to the scheduled Casing Integrity and the Bradenhead Tests. For wells in Eddy County call (505) 887-6544 ; for wells in Lea County call (505) 393-3612.

A) Casing Integrity Test for TA:

1. Install an isolation device (such as a retainer or bridge plug) within 50' to 100' of the top perforation or cement plug that extends at least 50' above each set of open perforations. Unless prior approval is granted by the Authorized Officer, fill the well bore with conditioned, non-corrosive fluid and shut-in at the surface. If a cement plug is used, the top of the cement must be verified by tagging. If the wellbore had more than one producing horizon, the lower set(s) of perforations or open hole must meet the requirements for permanent plug to abandonment, unless justification is provided by the operator not to do so.
2. A test demonstrating casing mechanical integrity is required. An approved method is a pressure test of the casing and uppermost plug. The pressure test conducted shall be a minimum of 500 psi surface pressure with less than 10 percent pressure drop within thirty (30) minutes. In no event shall the pressure test required exceed seventy (70) percent of the internal yield of the casing. In the case of an unsuccessful test, the operator shall either correct the problem or plan to plug and abandon the well. Alternative methods demonstrating casing mechanical integrity may be approved by the Authorized Officer on a case-by-case basis.

B) Bradenhead Test for TA:

1. Record the pressure measured on each casing string, including intermediate casing, using deadweight or calibrated pressure gauge.
2. Open the bradenhead valve to the atmosphere. If gas or water flow is observed or indicated, flow the bradenhead for a minimum of fifteen (15) minutes and record pressures at five (5) minute intervals on the production, intermediate and surface casing. Describe in detail any fluids flowing from the bradenhead including measured or estimated rates of flow. A water and/or gas analysis may be required.

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

1. Submits within thirty (30) days a subsequent Sundry Notice (one (1) original signature and five (5) copies) requesting TA approval,
2. Attaches a clear copy or the original of the pressure test charts,

If the well does not pass the casing integrity test and/or the bradenhead test, then the operator shall within 90 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.