

District I

1625 N. French Dr., Hobbs, NM 88240

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

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

June 19, 2008

WELL API NO.

30-025-37072 /

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

WILLIAM TURNER /

8. Well Number **#7** /

9. OGRID Number

14021 /

10. Pool name or Wildcat

Eunice; San Andres / Penrose-Skelly; Grayburg /

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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☒

2. Name of Operator:

Marathon Oil Company /

3. Address of Operator

5555 San Felipe Houston, Texas 77056

Mail Stop #3308

4. Well Location

Unit Letter **I** **2310'** feet from the **South** line and **990'** feet from the **East** line /

Section **29** Township **21-S** Range **37-E** NMPM County **Lea**

11. Elevation (Show whether DR, RKB, RT, GR, etc.

3467' KB

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: DOWNHOLE COMMINGLE OPERATIONS ☒

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 down-hole commingling operations for the **William Turner #7** by approval stated in **Administrative Order DHC-3859**, and dated 03-DEC-2007. Please see attached well summary report for a detailed description of all work performed during this operation, along with Prior and Current-Wellbores, and a copy of the commingling approval letter.

Spud Date: 19-FEB-2008

Rig Release Date: 29-FEB-2008

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE **Rick R. Schell** TITLE: **Regulatory Compliance Representative** DATE: **11-DEC-2008**

Type or print name: **Rick R Schell**, E-mail address: **RRSCHELL@MarathonOil.com**, PHONE: **713-296-3412**

For State Use Only

APPROVED BY: **[Signature]** TITLE

PETROLEUM ENGINEER

DATE **DEC 19 2008**

Conditions of Approval (if any):



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joa ma Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Administrative Order DHC-3859

Marathon Oil Company
PO Box 3487
Houston, TX 77253-3487

Attention: Charles Kendrix

William Turner Well No. 7
API No. 30-025-37072
Unit I, Section 29, Township 21 South, Range 37 East, NMPM,
Lea County, New Mexico
Eunice-San Andres (24150) and
Penrose Skelly; Grayburg (50350) Pools

Dear Mr. Kendrix:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be as follows.

Eunice-San Andres Oil Pool	Oil-27%	Gas-44%
Penrose Skelly; Grayburg Oil Pool	Oil-73%	Gas-56%

These percentages shall be amended only with written permission of the Division.

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on March 12, 2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.
Director

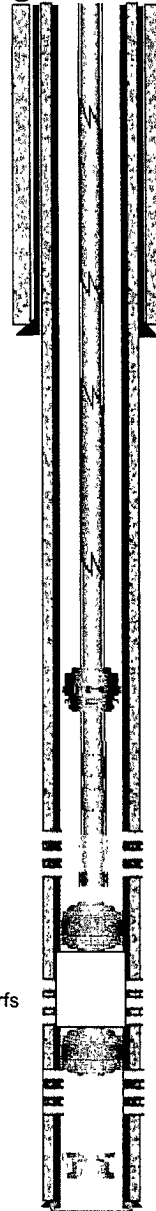
cc: Oil Conservation Division – Hobbs



William Turner No. 7 Grayburg Re-completion

Well Spud on 007/11/2005

Marathon Oil Company
William Turner No 7
UL"1", Sec 29, T-21-S, R-37-E
9-Jan-07



Surface Casing
8 5/8" 24# J-55 set @ 399' w/ 380 sks cmt
Cmt to surface

Tubing Anchor @ 3529'

Seating Nipple @ 3845'
Perf Sub @ 3850'

Grayburg Perfs 3685'-3822

PBTD CIBP@3890'

Sand Fill Over
Upper San Andres Perfs

San Andres Perfs 3926' - 4047'

CIBP set @ 4085'

Isolated lower San Andres Perfs 4086' - 4109'

Float collar @ 4296'

TD @ 4320'

Production Casing
5 1/2" 17# K-55 Set @ 4320' Cmt w/ 1150 sks
Cement to surface on production casing

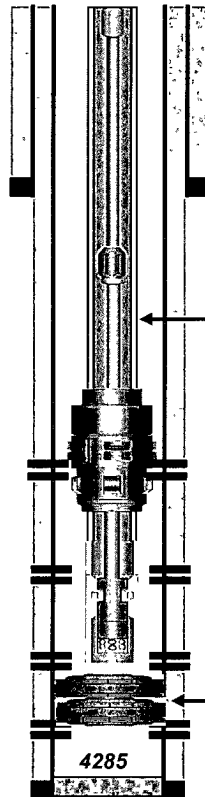
Well Name & Number:	William Turner No 7		Lease	WM Turner	
County or Parish:	Lea	State/Prov.	New Mexico	Country:	USA
Perforations: (MD)	3685'-3822'		(TVD)	4320'	
Date Completed	09/01/06			RKB:	
Prepared By.	Charles Kendrix		Last Revision Date:	01/11/07	

Well Name & No.		William Turner #7		Field		Date: 4/15/08
County	LEA	API	30-025-37072	State	NEW MEXICO	By R S Bose
Spud	7/11/2005	Comp Drlg	7/20/2005	Location	2310' FSL & 990' FEL, Section 29, Township 21S, Range 37E, UL "I"	

GL: 3467' KB: 3478'

12-1/4" Hole

7-7/8" Hole



8-5/8" 24# K-55 STC @ 396' w/380 Sx TOC @ Surface (Circ 221 sx)

2-7/8" J-55 EUE w/ TA @ 3577, SN @ 4074', EOT @ 4076'

3685'-89', 3738-40', 3773'-78', 3810'-12', 3819'-22' (2SPF) 32 holes Grayburg

3926-40 (1 SPF) - San Andres

3956-76, 4000-22, 30-47, 58-73 (1 SPF) - San Andres

CIBPs @ 4084' and 4083'

4086-92, 4101-09 (1 SPF) - San Andres

5-1/2" 17# K-55 LT&C @ 4320' w/1150 Sx TOC @ Surf (Circ 289 sx)

Well History

Sep 8 '05 Acidize the lower perms 4000-4002', 4030-4047', 4058-4073', 4086-4092', 4101-4109' with 70 bls of 15% acid w/ 100 7/8" 1 1 Sg ball sealers

Sep 8 '05 - Acidize btw PKR@ 3961' and RBP @ 3988' , with 30 blas of 15% acid with 50-7/8" 1 1 Sg ball sealers

Sep 21 '05 - Set CIBP @ 4084'

Oct 13 '05 - Set CIBP @ 3952'

Apr 7 '06 - Dnll/Push CIBP from 3952' to 4083'

Jul 10 '06 - Change pump to Larger Pump rod and Prod Equipment, it was 2" RWBC, Currently BUP (Tubing pump)

Aug 21 '06 - Isolate San Andres with sand plug Perf 3685-3822' in acid Sand frac Grayburg Set CIBP @ 3890' PWOP

Feb '08 - Remove CIBP at 3890' and clean out to 4084' **Commingle GB/SA** PWOP

Final Well / Event Summary

Legal Well Name: WILLIAM TURNER 07

Common Well Name: WILLIAM TURNER 07

Event Name: RECOMPLETION

Start Date: 2/19/2008

End Date: 2/29/2008

DATE	TMD	24 HOUR SUMMARY
2/19/2008	(ft)	Held Safety Meeting. Spotted rig on well. SDFN.
2/20/2008	(ft)	Held Safety Meeting. RU PU. Unbeam Well. Tried to unseat pmp. Pmp stuck, backed off rods on 93rd 7/8". Pooh w/ Rods, Kill Well. ND WH, Unset TAC, NU BOPE. Pooh w/ 170 jts, then RU to swab dn rest of Tbg Left kill string in. Secure Well. SDFN.
2/21/2008	(ft)	Held safety meeting. Finish Sooh while swabbing fluid dn backside. PU Bit, DC's & Tubing. Ran down to above top perf. Hooked up Air unit and blow down lines. Shut down. Secure Well. SDFN.
2/22/2008	(ft)	Safety Meeting. Broke circ. w/ air. Fih w/ bit & DC's & tbg Tag CIBP 3890'. PU Swivel. Circ hole clean, Start drilling on CIBP Drilled up & circulated sand plug out & pushed CIBP to 4084' top of next CIBP. Circ hole clean PU above perfs. SDFWE.
2/25/2008	(ft)	Safety Meeting. Broke circ. w/ air. Rbih w/ bit & DC's & tbg. Tag CIBP @ 4084'. No sand fill from overnight PU Swivel. Circ hole clean for 3 hrs. PU above perfs. SDFWE.
2/26/2008	(ft)	Safety Meeting. Fih w/ bit & DC's & tbg Tag CIBP @ 4084'. No sand fill from overnight Pooh w/ tbg, dc's, bit. Rbih w/ prod. bha & tbg. Secure well and SDFN.
2/27/2008	(ft)	Safety meeting. RIH w/ Pump & Rods. Spaced out, hung on, L & T OK. Wouldn't pump with unit. Longstroke pmp, good action, but quit again when hung on finally pumped dispersant/ soap w/ flush. let soak overnight. Left well dn. SDFN.
2/28/2008	(ft)	Safety Meeting. Turned well on but wouldn't pump. Longstroke & well started pumping, lowered plunger to tag slightly to help pass sand on thru pump. Well stayed pumping good thru the day Caught sample every 1/2 hr. sand clearing up thru day. Left pumpin
2/29/2008	(ft)	Held Safety Meeting RDMO Pulling Unit. Clean location Well Producing to Production Facilities