

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

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-33030
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-992
7. Lease Name or Unit Agreement Name: IB "32" State
8. Well Number 7
9. OGRID Number 14021
10. Pool name or Wildcat Indian Basin Upper Perm Associated

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	RECEIVED DEC 20 2004 OCD-ARTESIA
2. Name of Operator Marathon Oil Company	
3. Address of Operator P.O. Box 3487 Houston, TX 77253-3487	
4. Well Location Unit Letter A : 968' feet from the North line and 1218' feet from the East line Section 32 Township 21S Range 24E NMPM County Eddy	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4213' GL	
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 _____	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input 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.

Set Production Casing

Marathon Oil Company has completed setting of production casing on the IB "32" State No. 7. Please see attachment for details of production casing setting and test.

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 12/08/2004
Type or print name Charles E. Kendrick E-mail address: cekendrix@MarathonOil.com Telephone No. 713-296-2096

For State Use Only

FOR RECORDS ONLY

DEC 20 2004

APPROVED BY _____ TITLE _____ DATE _____
Conditions of Approval, if any:

**IB "32" State No. 7
Set Production Casing**

03/31/2004 Drilled float shoe @ 1811'. Drilled open hole 1811' to 1913'. Survey w/ MWD tools. Drilled 1913' to 1920'.

04/01/2004 Drilled and surveyed f/ 1920' to 2800'.

04/02/2004 Drilled and surveyed f/ 2800' to 3780'.

04/03/2004 Drilled and surveyed f/ 3780' to 4530'.

04/04/2004 Drilled and surveyed f/ 4530' to 5090'. Trip bit.

04/05/2004 Trip in w/ new bit. Reamed 35'. Drill and survey f/ 5090' to 5555'.

04/06/2004 Drilled and surveyed f/ 5555' to 6056'. Trip for motor stalling.

04/07/2004 Trip in hole w/ new motor. Drill and surveyed 6056' to 6765'.

04/08/2004 Drilled and surveyed f/ 6753' to 7520'.

04/09/2004 Drilled and surveyed 7520' to 7924'. Lost all returns. Dry drilled f/ 7924' to 8178'.

04/10/2004 Dry drilled f/ 8178' to 8780' (TD) w/ no returns & zero drill pipe pressure. Pumping down backside at 2 BPM while drilling.

04/11/2004 Pumped high viscosity sweep. Made 15 stand short trip. Washed 46' to bottom w/ 12' fill. Spot high viscosity pill on bottom. Trip out of hole to log. Ran Density/ Neutron? Spectral Gamma Ray log. Logged well f/ 8680' to 1811'.

04/12/2004 Rigged up Bull Rogers casing crews. Seven inch production casing set at 8780'.

Casing Details Top to Bottom

2 jts	7"	26#	K-55	Surface - 89'
98 jts	7"	23#	K-55	89' - 4568'
48 jts	7"	26#	K-55	4568' - 6896'
1 DV tool				6896' - 6898'
1 Ext Casing Packer				6898' - 6916'
39 jts	7"	26#	K-55	6916' - 8731'
1 float collar				8731' - 8732'
1 jt	7"	26#	K-55	8732' - 8779'
1 casing shoe				8779' - 8780'

- 04/12/2004 cont. Rigged up Haliburton cementers and nitrogen.
1st stage pumped 50,000 scf N₂, 10 bbls fresh water, 24 bbls Superflush, 10 bbls fresh water, **100 sks Foamed Premium Plus** Acid soluble cement + 2% Zonesealant mixed @ 15.2 ppg, 2.47 cuft/sk yield, **300 sks Foamed Premium** cement + 2 % Zonesealant mixed @ 15.2 ppg, 1.26 cuft/ sk yield, **100 sks Modified Super H** + 0.4% CFR3 + 5#/ sk Gilsonite + 0.5% H344 + 0.2% HR7 + 1# /sk salt mixed @ 13.0 ppg, 1.67 cuft/sk yield. Dropped plug , washed lines, and displaced cement w/ fresh water. Bumped plug w/ 3000 psi and set external casing packer, got nitrogen and water returns. Opened DV tool and established circulation w/ rig pumps, circulated foamed cement to surface.
2nd stage pumped **750 sks Interfill C** + 0.25#/ sk Floccelle + 3.0# / sk Glisonite + 0.2% Halad 322 mixed at 11.9 ppg, 2.46 cuft/sk yield, **100 sks Premium Plus** + 2% CaCl mixed at 14.8 ppg, 1.34 cuft/sk yield. Dropped plug, washed lines and displaced plug w/ fresh water. Bumped plug at DV tool. **Circulated 91 sks** cement to surface.
- 04/13/2004 Nipple down BOPs. Set slips w/ 195000 lbs and cut off 7" casing. Installed tubing head. Released rig @ 06:30 am.