

Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-015-33181
5. Indicate Type of Lease STATE [ ] FEE [x]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Merland
8. Well Number 2
9. OGRID Number 372098
10. Pool name or Wildcat Carlsbad; Strawn, South (Gas)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3174' GL

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 [x] Other [ ]
2. Name of Operator Marathon Oil Permian LLC
3. Address of Operator 5555 San Felipe St., Houston, TX 77056
4. Well Location Unit Letter C : 990 feet from the NORTH line and 1980 feet from the WEST line
Section 30 Township 22S Range 27E NMPM County EDDY
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3174' GL

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

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [x]
TEMPORARILY ABANDON [ ] CHANGE PLANS [ ]
PULL OR ALTER CASING [ ] MULTIPLE COMPL [ ]
DOWNHOLE COMMINGLE [ ]
CLOSED-LOOP SYSTEM [ ]
OTHER: [ ]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [ ]
CASING/CEMENT JOB [ ]
OTHER: [ ]
Notify OCD 24 hrs. prior to any work done

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 1. MIRU NDWH, NUBOP
2. POOH with production equipment
3. RUWL RIH set CIBP @ 11,532'. Tag circ well w/ MLF.
4. Spot 25 sxs @ 11,532'-11,432'. WOC & Tag
5. Set CIBP @ 10,274' cap w/ 25 sxs TOC @ 10,174' Tag.
6. Spot 25 sxs @ 8862'-8762'. 8913' - 8813'
7. Perf/Sqz 25 sxs @ 8250'-8250' Tag. 8400' - 8300' 7a. Perf & Sqz 25 sx @ 5290' - 5190' BS
8. Perf/Sqz 45 sxs @ 2050'-1950' Tag.
9. Perf/Sqz 45 sxs @ 1898'-1798' Tag.
10. Perf/Sqz 45 sxs @ 426'-326' Tag.
11. Perf/Sqz 25 sxs @ 60'-0'. Verify cmt in all annuli
12. POOH, top well off, cut off WH & anchors, install P&A marker.

Spud Date: 2/6/2004

Rig Release Date:

\*\*\*\*SEE ATTACHED COA's\*\*\*\*

MUST BE PLUGGED BY 2/4/2022

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

SIGNATURE [Signature] TITLE Regulatory Specialist DATE 1/28/2021

Type or print name Adrian Covarrubias E-mail address: acovarrubias@marathonoil.com PHONE: 713-296-3368

For State Use Only

APPROVED BY: [Signature] TITLE Staff Manager DATE 2/5/2021
Conditions of Approval (if any):

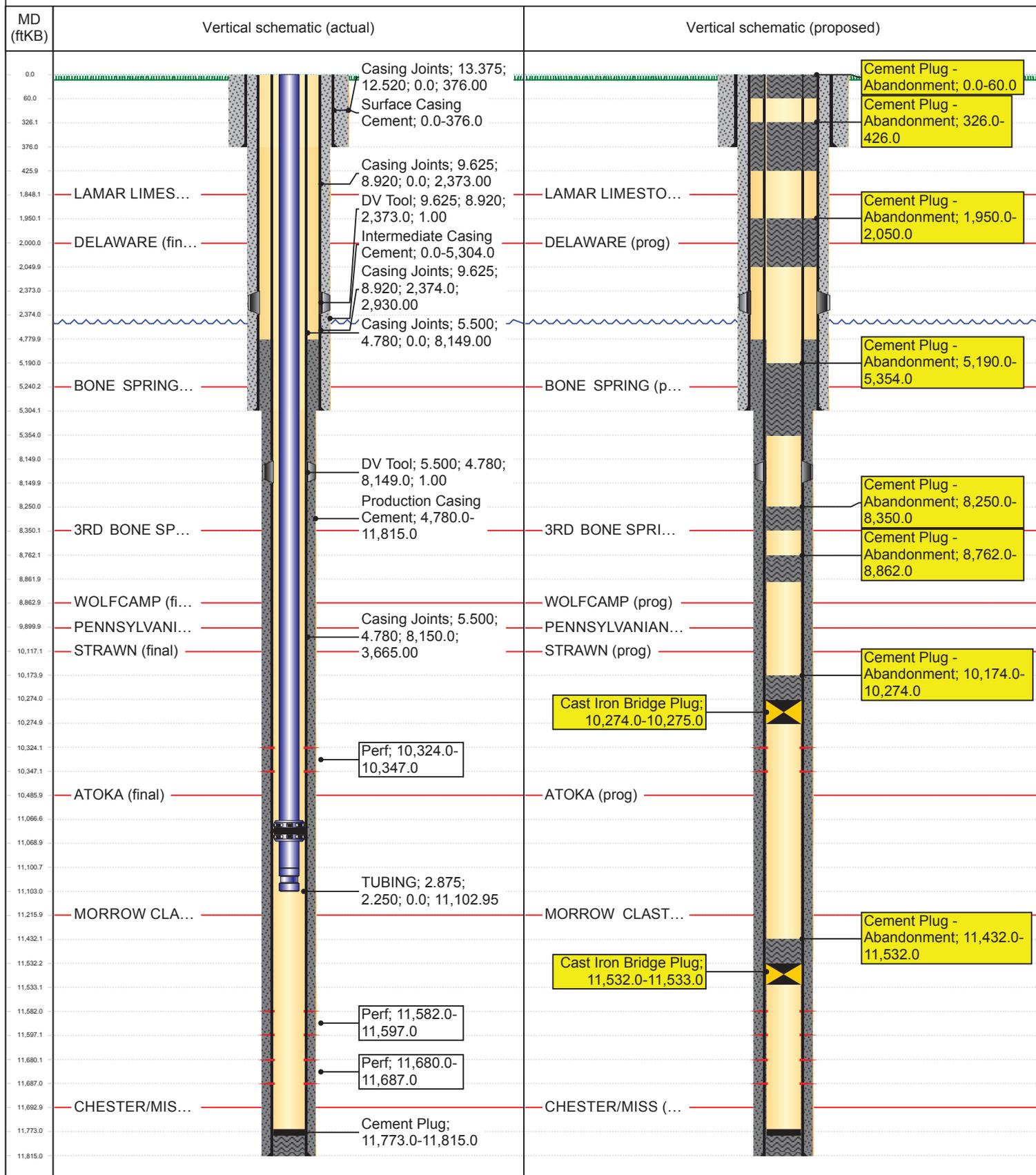


## Wellbore Schematic

### Well Name: MERLAND 2

State/Province NEW MEXICO	Country UNITED STATES	Field Name CARLSBAD SOUTH	Latitude (°) 32.36767340	Longitude (°) -104.23069680	North/South Distance (ft) 990.0	North/South Reference FNL
API/ IPO UWI 3001533181	KB-Ground Distance (ft) 14.00	KB-Mud Line Distance (ft)	Ground Elevation (ft) 3,174.00	Drilling Rig Spud Date	Well Original Completion Date 4/16/2004	Well First Production Date 5/4/2012

MERLAND 2, 9/9/9999 6:00:00 AM



## CONDITIONS FOR PLUGGING AND ABANDONMENT

### OCD - Southern District

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, **Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down. Company representative will be on location during plugging procedures.**

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
3. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
6. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
8. Produced water **will not** be used during any part of the plugging operation.
9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
10. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
11. Class 'C' cement will be used above 7500 feet.
12. Class 'H' cement will be used below 7500 feet.
13. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
14. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.

16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).
19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.
20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
  - A) Fusselman
  - B) Devonian
  - C) Morrow
  - D) Wolfcamp
  - E) Bone Springs
  - F) Delaware
  - G) Any salt sections
  - H) Abo
  - I) Glorieta
  - J) Yates.
  - K) **Potash---** (In the R-111-P Area (Potash Mine Area), a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing

#### DRY HOLE MARKER REQUIREMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

**1. Operator name 2. Lease and Well Number 3. API Number 4. Unit Letter 5. Quarter Section (feet from the North, South, East or West) 6. Section, Township and Range 7. Plugging Date 8. County (SPECIAL CASES)-----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS**

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

#### SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
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**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 16028

**CONDITIONS OF APPROVAL**

Operator: MARATHON OIL PERMIAN LLC      5555 San Felipe St. Permian Regulatory Team      Houston, TX77056		OGRID: 372098	Action Number: 16028	Action Type: C-103F
OCD Reviewer gcordero		Condition None		