

Submit 3 Copies To Appropriate District
Office
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

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
June 19, 2008

JUN - 4 2009

RM

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)		WELL API NO. 30-015-22233
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐		5. Indicate Type of Lease STATE ☒ FEE ☐
2. Name of Operator Marbob Energy Corporation		6. State Oil & Gas Lease No. V-5110
3. Address of Operator PO Box 227, Artesia, NM 88211-0227		7. Lease Name or Unit Agreement Name Lakewood AQE State SWD
4. Well Location Unit Letter <u>F</u> : <u>1980</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>30</u> Township <u>19S</u> Range <u>26E</u> NMPM Eddy County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3436' GR		9. OGRID Number 14049
		10. Pool name or Wildcat SWD; Canyon

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: Convert to Salt Water Disposal ☒

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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.

4/27/09 - 5/27/09 - Converted to Salt Water Disposal well per Administrative Order SWD-846-A.
Chart ran on 5/27/09 was retained by Richard Inge w/ OCD - Artesia.

(See detailed procedure attached)

Spud Date:

Rig Release Date:

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

SIGNATURE Diana J. Briggs TITLE Production Manager DATE 5/3/09

Type or print name Diana J. Briggs E-mail address: production@marbob.com PHONE: (575) 748-3303

For State Use Only

APPROVED BY: Richard Inge TITLE COMPLIANCE OFFICER DATE 6/4/09

Conditions of Approval (if any):

MARBOB ENERGY CORPORATION
LAKEWOOD AQE STATE SWD #1 (Re-Entry)
1980 FNL 1980 FWL, SEC. 30-T19S-R26E, UNIT F
30-015-22233, SWD; CANYON
EDDY COUNTY, NM

- 04/27/09 MIRU WSU. UNLOAD 268 JTS 2 7/8" L-80 WKSTRG. INSTALL LARKIN W/H. NU BOP. RU ABC RVRS PMP TST W/H & BOP TO 2000# - GOOD. PU 6 1/8" BIT, X-OVERS & 4 3/4" DC. TAG 1ST CMT PLUG @SURF. RU SWVL. BEGIN TO DRL @9:30 AM. DRL DWN 6 DCS. TALLY TOP ROW OF 2 7/8" TBG. PU 5 JTS. TAG PLUG W/5TH JT. TAG 2ND PLUG @333.42' - 51' HIGH. PU 6TH JT. DRL DWN TO 378.35'. CIRC GRAVEL OUT OF WELL. CIRC CLN. PULL UP 2 JTS. SWI. SDFTD.
- 04/28/09 SITP 0#. PU SWVL & JT #7. BEGIN DRLG @7:15 AM. PU JT #8 @8:45. DRL TO 470'. DRLG VRY SLOW. BIT KEEPS PLUGGING OFF. CIRC CLN. TOOH W/BIT. FOUND 2 OF 3 JET HOLES WERE PLUGGED. PU USED 6 1/8" SKIRTED MT BIT. TIH W/DCS & TBG. RESUME DRLG @1:00 PM. FALL OUT OF CMT @537'. PU 24 JTS & TAG 3RD PLUG @1331'. PU SWVL & RESUME DRLG. DRL TO 1445'. CIRC CLN. SWI. SDFTD.
- 04/29/09 RESUME DRLG CMT PLUG. FALL OUT OF PLUG @1490'. CIRC CLN. RIH & TAG CIBP @2464'. DRL ON PLUG F/30 MIN. TOOH & LD BIT. RIH W/CUTRIGHT SHOE. CUT ON CIBP F/3 HRS. QUIT MKG HOLE. POOH. INSIDE OF SHOE WORN. RIH W/SHOE #2. CUT OVER PLUG 1 1/2 HRS. PULL UP OFF OF PLUG. PLUG MOVED UP HOLE. KICK PMP OUT. PLUG STAYED 4' ABV ORIGINAL SETTING. POOH W/SHOE. (WILL RIH W/SHOE THAT HAS WIRE & DIAMONDS AM 04/30/09).
- 04/30/09 TIH W/TBG & NEW SHOE W/CUTRITE DIAMONDS & WIRES. TAG CIBP @2461'. PU SWVL. ROTATE ON CIBP F/15 MIN. STOP ROTATING. SET 8-10 PTS ON CIBP A COUPLE OF TIMES. LD SWVL. TOOH W/TBG & SHOE - LEFT CIBP IN HOLE. PU NEW SHOE, 2 DCS & TBG. TAG @2461'. PU SWVL. START CUTTING OVER CIBP F/APPX 1 HR. DRP 2'. PU 1'. CIRC CLN. SIT BACK DWN ON FISH. PUT 8-10 PTS WHILE ROTATING SLOWLY. TOOH - DID NOT HAVE FISH. HAVE NEW SHOE CUT W/DIAMONDS & PUSH IN AND WELD. PU NEW SHOE, 2 DCS & TBG. TAG FISH. SIT DWN ON FISH. PUT 10-15 PTS ON FISH W/O ROTATING. TOOH. DID NOT HAVE FISH. HOT SHOT NEW SHOE W/DIAMONDS & WIRES. TIH W/SHOE, DCS & TBG. SIT DWN ON FISH. STACK ALL WEIGHT ON FISH. TOOH - NO FISH. SWI. SDFTD.
- 05/01/09 WAIT F/NEW SHOE TO BE CUT W/DIAMONDS, WIRES & TEXAS PATTERN CUT ON BTM. PU SHOE, 6 DCS, BUMPER SUB & TBG. TAG @2464'. SET ALL WEIGHT ON FISH. PU & HIT DWN W/BUMPER SUB. TOOH W/TBG & FISHING TOOLS. HAD MANDREL & RUBBER F/CIBP. PU SLICK SHOE. TAG PKR @2470'. PU SWVL & START CUTTING OVER PKR. CUT F/4 HRS. PU TO CIRC - STUCK. WK TBG FREE. DRAGGING 10-15 PTS. PU 25' - SLIPPED OFF OF PKR. PU SHOE W/DIAMONDS & WIRES. TIH W/SHOE, 2 DCS & TBG. TAG @2451'. SET ALL WEIGHT DWN ON FISH. TOOH - NO FISH. SWI. SDFTD.
- 05/04/09 TIH W/IMPRESSIONS BLOCK & 77 JTS TBG. TAG FISH @2454'. TOOH W/TBG. PU SPEAR W/2.348" GRAPPLE, BUMPER SUB, JARS, 6 DCS & 71 JTS TBG. TIH. TAG FISH @2454'. PU 3' THEN GO BACK DWN. CATCH FISH. START COOH DRAGGING 10-20 PTS. COOH SLOWLY. LD FISH & FISHING TOOLS. PU MAGNET, 2 JTS TBG & SPLIT BULL PLUG. PUT ON SAND LINE. RIH W/SANDLINE. TAG @2814'. COOH W/SANDLINE. PU SOME TRASH OFF TOP OF CMT. MAKE 2ND RUN, GET VERY LITTLE JUNK. LD MAGNET. PU USED 6 1/8" MT BIT, 6 DCS & 78 JTS TBG OUT OF DERRICK. PU 3 JTS TBG & TAG @2781' BY TBG TALLY. PU SWVL. START DRLG ON CMT. DRL 1/2 JT & FALL OUT. PU SWVL. START DRLG ON CMT. DRL 1/2 JT & FALL OUT @APPX 2813'. PU 3 JTS & TAG CIBP @2862'. START DRLG ON CIBP. KEEP PLUGGING OFF WHILE DRLG. LD SWVL. CK PMP & SWVL F/BLOCKAGE. FOUND SEVERAL LG CHUNKS OF CIBP IN GOOSE NECK OF SWVL. PULL 10 JTS. SWI. SDFTD.
- 05/05/09 TIH W/11 JTS. TAG CIBP @2862'. PU SWVL. RESUME DRLG ON CIBP. DRL F/1 HR. RETRIEVING PIECES OF SPRING OFF OF AS-1 PKR THAT WAS FISHED OUT. QUIT MAKING HOLE. CIRC CLN. TOOH TO CK BIT-VERY WORN. PU MAGNET, 2 JTS TBG & SPLIT BULL PLUG. PUT ON SAND LINE. RIH TO CIBP & ATTEMPT TO CLN OFF TOP. TAG CIBP. RETRIEVE 4 PIECES OF SPRING F/PKR. MAKE 2ND RUN W/MAGNET - NO MORE DEBRIS. LD MAGNET. PU NEW 6 1/8" MT BIT, 6 DCS & 84 JTS TBG. TAG CIBP. PU SWVL. RESUME DRLG ON PLUG. DO PLUG. PU 1 JT. CIRC CLN. RD SWVL. PU 158 JTS TBG. TAG CMT @7893'. PULL 150 JTS. RU RVRS PMP & CIRC HOLE. FINISH TOOH. LD BIT. PU 7" RTTS PKR. TIH W/98 JTS. SET PKR @3143'. TST CSG TO 2500#. TST GOOD. REL PKR & PULL 16 JTS. SET PKR @2636'. RU RVRS PMP. PMP DWN TBG TO EST INJ RATE IN YESO PERFS @2888-3060'. INJ RATE 3 BPM @1550#. SD. SWITCH VLVS TO PMP DWN ANNULUS INTO SAN ANDRES PERFS @2536-60'. INJ RATE 3 BPM @1300#. RD RVRS PMP. REL PKR & TOOH. SWI. SDFTD.
- 05/06/09 TIH W/HS CMT RET & 88 JTS TBG. RU HS CMT EQUIP. PMP 20 BBLS THRU TOOL. SET RET @2825' TO SQZ YESO PERFS @2888-3060'. EST INJ RATE OF 0.3 BPM @1300#. MIX 200 SX P+ CMT W/2% CC @15.8 PPG 58 BBLS OF SLURRY. SD & WASH UP. START DISPLACEMENT. PMP 10 BBLS. SD & START STAGING. WAIT 10 MIN. PMP 2 BBLS @0.5 BPM. SD PRESS 2200#. WAIT 10 MIN. PMP 1 BBL @0.5 BPM. SD PRESS 1850#. WAIT 10 MIN. PMP 0.5 BBL. SD PRESS 2200#. WAIT 10 MIN. PMP 0.25 BBL. SD PRESS 2700#. STING OUT & RVRS 21 BBLS. TOOH W/SETTING TOOL. PU REDRESSED SETTING TOOL & CMT RET. TIH W/77 JTS. RU HS. PMP 20 BBLS THRU RET. SET RET @2475'. EST INJ RATE 0.3 BPM @500#. MIX 200 SX P+ W/2% CC 47 BBLS TO SQZ SAN ANDRES PERFS @2536-60'. SD. WASH UP PMP TRK. START DISPLACEMENT. PMP 8 BBLS @1 BPM. SD PRESS 300#. WAIT 15 MIN. PMP 1 BBL @0.5 BPM. SD PRESS 200#. WAIT 15 MIN. PMP 1 BPM @500#. DID NOT ACHIEVE SQZ PRESS. OVER DISPLACE CMT. STING OUT & RVRS 20 BBLS. ORDER 200 SX P+ 2/2% CC. STING INTO RET. WOC. MIX 200 SX P+ 2% @14.8 PPG & 2 BPM. WASH UP PMP TRK. START DISPLACEMENT. PMP 1 BBL @0.5 BPM. SD PRESS 2200#. WAIT 10 MIN. PMP 3/4 BBL @2700#. STING OUT & RVRS OUT. RD HS. TOOH W/SETTING TOOL. SWI. SD UNTIL FRIDAY.

MARBOB ENERGY CORPORATION
LAKEWOOD AQE STATE SWD #1 (Re-Entry)
1980 FNL 1980 FWL, SEC. 30-T19S-R26E, UNIT F
30-015-22233, SWD; CANYON
EDDY COUNTY, NM

05/07/09 SD, WOC.

05/08/09 TIH W/USED BIT, 6 DCS & 70 JTS TBG. TAG CMT @2433'. RU SWVL. START DRLG CMT. DRL 3'. START DRLG ON RET. DRL 3/4 OF RET & STOP MAKING HOLE. TOO H W/BIT - WORN & CONES WERE LOOSE PU NEW 6 1/8" BIT TIH W/DCS & TBG. RU SWVL. RESUME DRLG. DRL 6' F/3:30 - 5:30 PM. PULL UP & CIRC CLN. LD 1 JT & SWVL. SWI SDFTWE.

05/11/09 PU 1 JT & SWVL. RESUME DRLG ON CMT. FALL OUT OF CMT @2571' PU 8 JTS. TAG CMT @2815' DRL APPX 10' START DRLG RET @1.30 PM. THRU RETAINER @6:30 PM. DRL 15' CMT. CIRC CLN. TOO H W/BIT. SDFTD

05/12/09 PU NEW 6 1/8" BLADE BIT. TIH W/BLADE BIT, DCS & TBG. TAG CMT @2835'. RU SWVL. START DRLG CMT DRL 248' CMT. FALL OUT OF CMT @3083'. CIRC CLN. TOO H W/BLADE BIT. PU 7" SCRAPER. TIH W/SCRAPER & 100 JTS. TST SQZ TO 1000# F/15 MIN - GOOD. TOO H W/SCRAPER. SWI. SDFTD.

05/13/09 TIH W/NEW 6 1/8" MT BIT, DCS & TBG. TAG @7896'. RU SWVL. START DRLG ON CIBP. PLUG DRLD OUT @2:30 PM RD SWVL. PU 18 JTS. TAG FC @8494'. TOO H & LD DCS. SWI. SDFTD.

05/14/09 RU HWS. MAKE 6 GUN RUNS TO PERF UPR PENN DOLO. ADDED 113 SHOTS TO 14 EXISTING HOLES @7936-62' F/TTL OF 127 HOLES - ALL SHOTS FIRED. RD HWS. PU 7" RTTS PKR & TIH W/259 JTS. SET PKR @8260'. RU HS EQUIP. TST CSG SHOW TO 2500# - GOOD. REL PKR & PULL 11 JTS. SET PKR @7882'. LOAD ANNULUS W/100 BBLS & TST TO 1000# BWD TO 500#. RU ON TBG. TST LINES TO 8500#. ACDZ UPR PENN W/20K GAL 20% HCL ACID & 250 BALL SLRS. FORM BRK @2950#. AIR 13 BPM. AIP 5814#. NO BO. ISIP ON VACUUM. PERFORM STEP RATE TST - 1 BPM @0#, 2 BPM @0#, 3 BPM @14#, 4 BPM @21#, 5 PM @30#, 10 BPM @191#. RD HS EQUIP RIH W/11 JTS TO KNOCK BALLS OFF PERFS. START OOH LD 2 7/8" WK STRG. LD 200 JTS. SWI SDFTD

05/15/09 FINISH TOO H LD WK STRG. MOVE WK STRG OFF OF RACKS. UNLOAD 2 7/8" J-55 DUOLINE 20 TBG TALLY & PU 242 JTS SET PKR @7886'. GET OFF PKR W/ON/OFF TOOL. RU KILL TRK & CIRC 250 BBLS PKR FLUID LATCH BACK UP TO PKR ND BOP JAW OF 36" PIPE WRENCH BROKE WHILE TAKING OFF LARKIN FLANGE A 6" X 5" PIECE OF WRENCH FELL INTO WELL - ASSUME PIECE IS ON TOP OF PKR. FINISH PACKING OFF W/H RU KILL TRK ON ANNULUS PRESS UP ANNULUS TO 500# F/INTEGRITY TEST. LOST 60# IN FIRST 5 MIN. MOVE RECORDER F/LINE ON KILL TRK TO ANNULUS VLV ON W/H. PRESS ANNULUS BACK TO 565# @5:30 PM WATCH F/30 MIN. PRESS @6 00 PM 540#. LOSE 25# IN 30 MIN. RU KILL TRK ON TBG TO PMP PLUG OUT OF PKR. TAKE 3 BBLS. TP UP TO 3200# TO PMP-OUT PLUG TBG WENT ON VACUUM. SWI. SDFTWE.

TUBING DETAIL

242 JTS 2 7/8" J-55 DUOLINE 20 TBG
2 7/8" X 7" NICKLE COATED HS VERSASET
V/2 PKR W/O/O TOOL. SET @7892'
PMP-OUT PLUG @7896'

05/18/09 RDMO WSU. CLN LOC. WILL COME BACK AT LATER DATE TO FISH PIECE OF BROKEN PIPE WRENCH OUT OF HOLE. FINAL REPORT.

05/26/09 RETRIEVE BROKEN PIPEWRENCH: MIRU WSU. DN W/H. NU BOP. RU KILL TRUCK ON TBG & PMP 50 BBLS F/W START TRYING TO RELEASE PKR. WORKED FOR 2 1/2 HRS. COULD NOT RELEASE PKR. GET OFF PKR BY ON/OFF TOOL. START OOH @ 12:45. HANGING UP EVERY 30-40'. HAVING TO WORK TBG UP & DN & TURNING ALSO. PIPE STARTED PULLING EASIER ABOUT 180 JTS OUT. STOP W/ 3 JTS IN HOLE. ND BOP. PULL LAST 3 JTS. PIECE OF BROKEN WRENCH RIDING ON OVERSHOT. GOT BROKEN PIECE OUT NU BOP. SWI. SDFTD

05/27/09 SITP 0#. TIH W/ REDRESSED OVERSHOT & 242 JTS TBG. LATCH ONTO PKR. RU KILL TRUCK ON ANNULUS. LOAD ANNULUS W/ 143 BBLS PKR FL @ 1 BPM WORK AIR OUT OF ANNULUS. PRESSURE TO 540#. START INTEGRITY TEST @ 1:10 P.M. WITNESSED BY RICHARD INGE OF OCD. PRESSURE BUILT TO 620# IN 25 MINS. MOVE CHART RECORDER OUT OF SUN & START NEW TEST @ 1:40 P.M. STARTING PRESSURE 620#. PRESSURE @ 2.10 670#. TEST PASSED BY STATE. CHART RETAINED BY RICHARD INGE W/ OCD-ARTESIA. BLEED PRESSURE OFF ANNULUS SWI. RD KILL TRUCK. RDMO WSU. CLN LOC. FINAL REPORT.