Form 3160-5 (November 1683) Formerly 9-331)	UNITED STATES		RIPLICATE BU	nd approved idget Burster N - 1 pires August - 1 - 1 E DESIGNATION AND SE	35 VX	
	BUREAU OF LAND MANAGE ORY NOTICES AND REPOR orm for propusals to drull or to deepen or Use "APPLICATION FOR PERMIT for	TS ON WELLS		DIAN. ALLOTTEE OR TE	IBE SAME	
I GAS GAS WELL GENERAL	OTHER	RECEIVED	7. UNIT	AGBREMENT NAME	Jnit	
2. NAME OF OPERATOR Marathon Oil Co	ompany _	111 12'89	8. FARM N. 1	on LEASE NAME	Jnit	
3. ADDRESS OF OPERATOR P. O. Box 552; Midland, Texas 79702 C. D. C. D			9. *** LL	9. WBLL NO. 7		
See also space 17 below At surface	port location clearly and in accordance wi v)	th any State requirements of RECE	RECEIVED Indian Basin (Upper Penn)			
1650' FSL and 1	.650' FWL		50	, T., R., M., OR BLE. AND JEVEY OR ARMA		
14. PERMIT NO.	15 ELEVATIONS (Show whe Gr 3777', KB			11, T21S, R2		
16.	Check Appropriate Box To Indic	aie Nature of Notice	D. Bade or Other Dat			
NOTICE OF INTENTION TO: SUBSEQUE			SUBSEQUENT REPO	JENT REPORT OF :		
TEST WATER SHUT-OFF Fracture treat Shoot or acidize Repair Well	PULL OR ALTER DASING MULTIPLE COMPLETE ABANDON® CHANGE PLANS	WATER SHUT-OF Fracture trea Shooting or a	TMENT	REPAIRING WELL Altering Casing Abandon Ment®		
Other) Mech	anical Integrity Test X	(Note: R Completio	(Other) (Nots: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) details, and give pertinent dates, including estimated date of starting any			
proposed work. If ment to this work.)*	well is directionally drilled, give subsurfac	riment details, and give per e locations and measured and	tinent dates, including i true vertical depths f	estimated date of sta or all markers and so	rting any nes perti-	

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RECEIVED

Marathon Oil Company intends to initiate a Mechanical Integrity Test on the above referenced well upon approval of Form 3160-5. Attached is the procedure.

18. I hereby certify that the foregoing is true and correct		
signed J. R. Jenkins	TITLE Hobbs Prod. Superintendent	DATE6/8/89
(This space for Federal or State office use) APPROVED BY	FOR	DATE 6. 29 -89

*See Instructions on Reverse Side

Title 15 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.

MECHANICAL INTEGRITY TEST PROCEDURE North Indian Basin Unit No. 7 Eddy County, New Mexico

DATE: June 7, 1989 PURPOSE: Run mechanical integrity test. (MIT) ELEVATION: 3767' GL, 3791' KB PBTD: 7564' SURFACE CASING: 13 3/8" set @ 151'. INTERMEDIATE CASING: 8 5/8" set @ 2098'. PRODUCTION CASING: 5 1/2" set @ 7593'. TUBING: 2 3/8", 4.7#, 8R, J-55 set @ 7306'. PACKER: 5 1/2" Guiberson duo-grip set @ 7300'. SAFETY PRECAUTION: Monitor H₂S at the wellhead while running test.

- Notify BLM representative, Shannon Shaw, 48 hours prior to running MIT. (BLM telephone number (505) 887-6544.)
- 2. RU Service Company.
- 3. Install pressure gauges with pen recorders on tubing and tubing casing annulus.
- 4. Fill tubing-casing annulus with 2% KCl water and pressure test to 500 psig.
- 5. Monitor pressure for 15 minutes.
- 6. RD Service Company.
- 7. Send pressure charts to Midland Production office.

JTK3/2/mtj





United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Resource Area Headquarters P. O. Box 1778 Carlsbad, New Mexico 88220 3162.4 (067)

CERTIFIED--RETURN RECEIPT REQUESTED P 084 916 194

Marathon Oil Company P. O. Box 2409 Hobbs, NM 88240

> RE: N. Indian Basin Unit Well #7 NESW, Sec. 11, T21S, R23E Eddy County, New Mexico (Lease No. NM 05551)

Gentlemen:

A review of our records and field inspections indicates that the above well is in Temporary Abandonment (TA) status. If you are to continue to keep this well in TA status, you must show that the downhole equipment/casings are in satisfactory condition.

Accordingly, you are hereby requested to submit for approval, a program for testing the downhole equipment for the well on Sundry Notice (Form 3160-5, formerly 9-331) and reason why you desire to keep the well in TA status, within 30 days from the date of this letter. The well must be tested in accordance with the attached specifications. Please call the Carlsbad office (505) 887-6544 in time for a field inspector to witness all tests.

If a well is found in unsatisfactory condition, it must be corrected or the well plugged and abandoned. If a well is not tested, it will be considered unserviceable and you will be required to plug and abandon the well. Wells tested within the last 12 months will not require retesting provided that the test results have been filed and approved by this office. Please contact Shannon Shaw at(505) 887-6544 for further information.

Sincerely,

14 Mans

Richard L. Manus Area Manager

Enclosure: - Casing Pressure Test Procedures

RECEIVED MAY 2.6 (939 BDS OPERATIONS

MINIMUM REQUIREMENTS FOR CASING INTEGRITY TESTING OF WELLS ON FEDERAL LEASES IN THE CARLSBAD RESOURCE AREA.

1. Contact the appropriate BLM office at least 24 hours prior to the scheduled test.

NOTE: A BLM technician must be present to witness all casing integrity tests.

2. A retrievable bridge plug or packer shall be set a maximum of 50 feet above any open perforations.

3. All downhole production equipment (tubing, rods, etc.) must be removed from the casing if they are not isolated by a packer.

4. The casing must be filled with fluid and pressure tested to 500 psi. Furthermore, the casing must be capable of holding this pressure for at least 15 minutes with a 10% allowable leak-off (i.e. 450 psi).

5. The operator must submit a subsequent report of test on Sundry Notices (Form 3160-5, formerly 9-331) to be accepted for record.

NOTE: Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment status for 12 months provided that the operator submits a subsequent Sundry Notice.