

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

Revised March 25, 1999

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-039-22460
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 000154
7. Lease Name or Unit Agreement Name: Picarilla Apache
8. Well No. 11-E
9. Pool name or Wildcat Mesaverde/ Basin Dakota

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	2. Name of Operator Marathon Oil Company
3. Address of Operator P.O. Box 552 Midland, TX 79702	4. Well Location Unit Letter <u>C</u> : 955' feet from the North line and 1685' feet from the West line Section 28 Township 26-N Range 5-W NMPM County Rio Arriba
10. Elevation (Show whether DR, RKB, RT, GR, etc.) G.L. 6470	

11. 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 COMPLETION ☐

OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. 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 recompilation.

Marathon Oil Company is proposing to set a 4-1/2" CIBP over the existing Dakota Perfs
The Mesaverde perfs will be shot, acidized and a frac performed as per attached
workover procedure indicates.

A DHC application was submitted as of June 11th 2001 to commingle the Mesaverde and the
Basin Dakota.

After receiving approval for the DHC Marathon Oil Company will proceed to drill out the CIBP
5500' and commingle the two zones.

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

SIGNATURE Jerry Fletcher TITLE Engineer Tech. DATE 7/03/01

Type or print name Jerry Fletcher Telephone No. 915-687-8357

(This space for State use)

Original Signed by STEVEN N. HAYDEN

APPROVED BY STEVEN N. HAYDEN TITLE DEPUTY OIL & GAS ENGINEER DATE JUL - 9 2001

Conditions of approval, if any:

WORKOVER PROCEDURE

Jicarilla Apache #11E

955' FNL & 1685' FWL of Sec. 28, T-26-N, R-5-W
Rio Arriba County, New Mexico

Date: June 11, 2001

Purpose: Add Mesaverde pay and DHC

GWI: 100% NRI: 87.5%

AFE #: 5???00

AFE Amount: \$180,000

AFE Days: 10

KB: 6482' GL: 6470' TD: 7335' PBTD: 7303'

Surface Csg: 9-5/8" 36# K-55 @ 494' cmt'd w/ 450 sks (Circulated)

Intermediate Csg: 7" 20# K-55 @ 3037' cmt'd w/ 250 sks (Circulated)

Production Csg: 4-1/2" 10.5# & 11.6# K-55 @ 7335' cmt'd with 220 sks in two stages with DV tool @ 6085'
(TOC @ 4409' by CBL) [Drift (11.6#) = 3.875" 80% Burst (10.5# = 3832 psi]

Tubing: 229 jts + subs 2-3/8" J-55 EUE tubing with API seating nipple @ 7265'

Perforations: Dakota: 7041 - 7269' (12 holes)

Anticipated BHP: ±1500 psi (estimated original pressure) in the Mesaverde
±500 psi in the Dakota

Comments: 1) Use 2% KCl in all workover fluids
2) Use 2-7/8" 6.5# N-80 tubing as workstring (Drift = 2.347", 80% Burst = 8456 psi)

PROCEDURE

1. Inspect location and improve if necessary. Install and test safety anchors to 22,500#.
2. MIRU PU. Kill well as necessary. ND wellhead. NU 7-1/16" BOP as per Mid-Continent Region's "Workover and Completion Guidelines". Function test BOP. POOH with 2-3/8" production tubing. RIH with 4-1/2" RBP & setting tool on 2-3/8" tbg. Set plug at ±250'. Test pipe rams to 1500 psi. Release from plug. POOH with setting tool. Test blind rams to 1500 psi. RIH & release plug. POOH. RIH w/ 3-7/8" bit, 4-1/2" casing scraper to PBTD 7303'. POOH.
3. RU electric line. NU and test lubricator to 1500 psi. RIH with 4-1/2" CIPB & set @ ±5500'. Load casing and test plug to 1000 psi. Run GR-CCL strip across interval ±5500-3500'. Use Gearhart GR-CNL-CDL dated 9/17/80 and 10/5/80 for correlation. Perforate the Mesaverde with 3-1/8" select-fire guns loaded 2 SPF @ 120 degree phasing with premium charges as follows: 4787', 90', 98', 4832', 54', 60', 65', 96', 4926', 62', 5010', 18', 28', 50', 58', 63', 68', 73', 80', 84', 87', 95', 5100', 05', 14', 19', 43', 66', 81', & 94' (60 shots). POOH & RD electric line.
4. RIH with 4-1/2" PPI assembly with 30' spacing on 2-7/8" workstring and breakdown Mesaverde perms using 50 gallons of 15% HCl per perforated foot {1500 gallons total acid}. POOH with PPI assembly.
5. RIH with 4-1/2" packer on 2-7/8" workstring (hydrotesting tubing in hole to 7000 psi) and set @ ±4700. RU for immediate flow back. RU stimulation company. Hold safety meeting. Test lines to 7000 psi. Pressure up tubing x casing annulus to 500 psi. Sand fracture stimulate Mesaverde perms as per recommendation @ 25-30 BPM using 120,000# of 20/40 sand. Limit maximum treating pressure to 6000 psi. Flow back well immediately between 1 and 2 BPM. RD stimulation company. Continue flowback until well dies or cleans up.
6. If well will flow, RU test unit and flow test Mesaverde for a minimum of 6 hours. If well will not flow, POOH with packer. If commingling permit is approved, RIH with 3-7/8" bit and drill collars as in Step #7 and CO to CIBP @ ±5500', but do not drill out CIBP until after jetting in well and obtaining flow test. If commingling permit is not yet approved, RIH as in Step #8 and CO to CIBP @ ±5500', then PUH to ±5200' and place well on production.
7. RIH with 3-7/8" bit and drill collars. Drill out CIBP @ ±5500' and CO to PBTD @ 7303'. Jet well until free of sand and water production is 1 BPH or less. (Expect gas bubble and/or loss of hydrostatic head when BP is drilled out).
8. RIH with notched collar, mud joint and seating nipple on 2-3/8" production tubing. CO to PBTD @ 7303'. Land EOT @ ±7250'. ND BOP. NU wellhead. Swab well in as necessary. RD PU. Turn well over to production.

XC: M. D. Bidwell
K. C. Holt
R. Skinner

R. G. Fletcher
W. S. Landon
B. Teller

P. M. Hedderman
R. J. Longmire
Well File

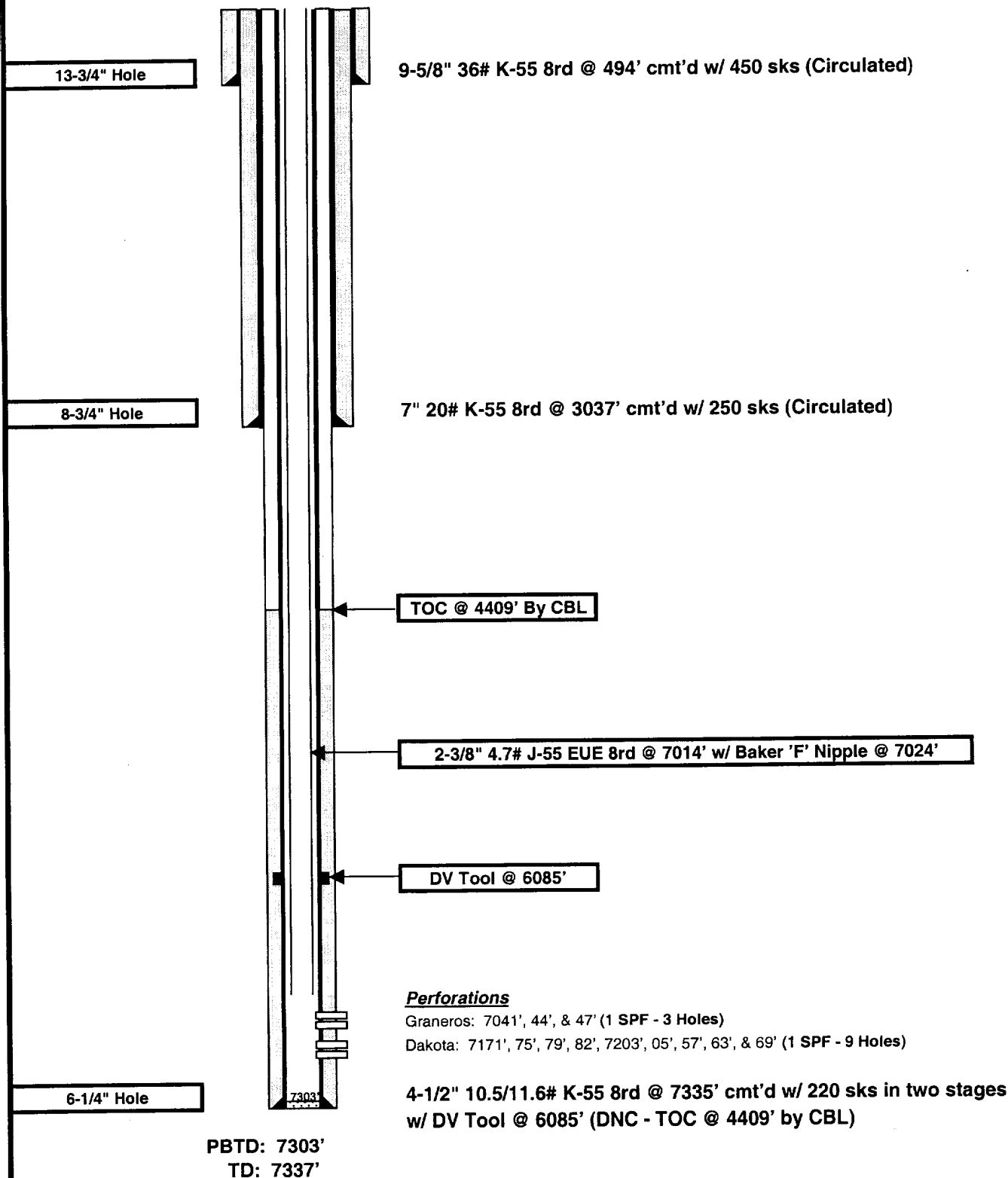


MARATHON OIL COMPANY
MID-CONTINENT REGION
MIDLAND OPERATIONS NORTHWEST NEW MEXICO

FIELD: JICARILLA
LEASE: JICARILLA APACHE
COUNTY: RIO ARRIBA

DATE: 08/25/99
BY: TL CHASE
WELL: 11E
STATE: NEW MEXICO

API: 30-039-22460 REACHED TD: 10/07/80 GL = 6470'
SPUD DATE: 09/12/80 COMPLETED: 02/06/81 KB = 6482'
LOCATION: 955' FNL & 1685' FWL, SECTION 28, TOWNSHIP 26N, RANGE 5W, UNIT LETTER "C"



Perforations

Graneros: 7041', 44', & 47' (1 SPF - 3 Holes)

Dakota: 7171', 75', 79', 82', 7203', 05', 57', 63', & 69' (1 SPF - 9 Holes)

4-1/2" 10.5/11.6# K-55 8rd @ 7335' cmt'd w/ 220 sks in two stages
w/ DV Tool @ 6085' (DNC - TOC @ 4409' by CBL)

Well History

Dec '80	Perf'd Graneros (1 SPF) @ 7041', 44', & 47'. Perf'd Dakota (1 SPF) @ 7171', 75', 79', 82', 7203', 05', 57', 63', & 69'.
Jan '81	Acidized Graneros/Dakota 7041-7269' w/ 1200 gal 15% HCl w/ 24 BS. Frac'd w/ 100,380 gal X-L gelled water w/ 120,000# 20-40 sand & 7,000# 10-20 sand. Turned to production flowing up 2-3/8" tubing. IP = 403 mcfpd + 14 bopd.
Sep '99	Cleaned out fill to PBTD @ 7303'.