

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA COPY

FEB 24 2009

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.5. Lease Serial No.
NM05608
6. If Indian, Allottee or Tribe Name**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MARATHON OIL COMPANY

3a. Address

5555 SAN FELIPE
HOUSTON, TEXAS 77056

Mail Stop #3308

3b. Phone No. (include area code)

713-296-3412

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

UL "A", 990' FNL & 660' FEL SECTION 11, T 21-S, R 23-E

7. If Unit of CA/Agreement, Name and/or No.
NORTH INDIAN BASIN UNIT8. Well Name and No.
NORTH INDIAN BASIN UNIT #179. API Well No.
30-015-2838610. Field and Pool or Exploratory Area
South Dagger Draw Upper Pen Associated11. Country or Parish, State
EDDY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

** Marathon Oil Company is requesting a Temporary Abandonment status for the above named well. Justification: Current oil pricing precludes further risky completions. Wellbore may be needed for SWD at a future date. Wellbore does not pose an environmental risk. Proximity of wellbore is not located in an environmentally sensitive area, or near a resident or population. NOTE: (Wait, for 'BLM'-Approval)

(Estimated Spud & Rig Release: FEB 2009)

Procedure:

• Wait on permit approval before beginning this work.

• MIRU pulling unit and reverse unit.

• Kill well with fresh water.

• Install and test 3000# BOP.

• POOH with 2 7/8" tubing and lay down tubing anchor.

• RIH with tubing conveyed CIBP.

*Note: Fresh water to be used, and no solids or waste are to be generated. There are no plans to remove any fluids from the well during this work, we plan to top off the well with fresh water once the plug is set. The only fluid on location during this work will be fresh water.

• Set CIBP at 7,560'.

• POOH laying down tubing.

• Load casing with fresh water.

• Test casing and CIBP to 500 psi per regulatory requirements.
Make sure chart recorder is installed before pressure test.

• Send in pressure test chart to regulatory department.

• Bull plug well head. RDMO.

**Accepted for record
NMOC**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

RICK R. SCHELL

RRSCHELL@MarathonOil.com

Title REGULATORY COMPLIANCE REPRESENTATIVE

Signature

Date 02/09/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

LRET

Date

2/20/09

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

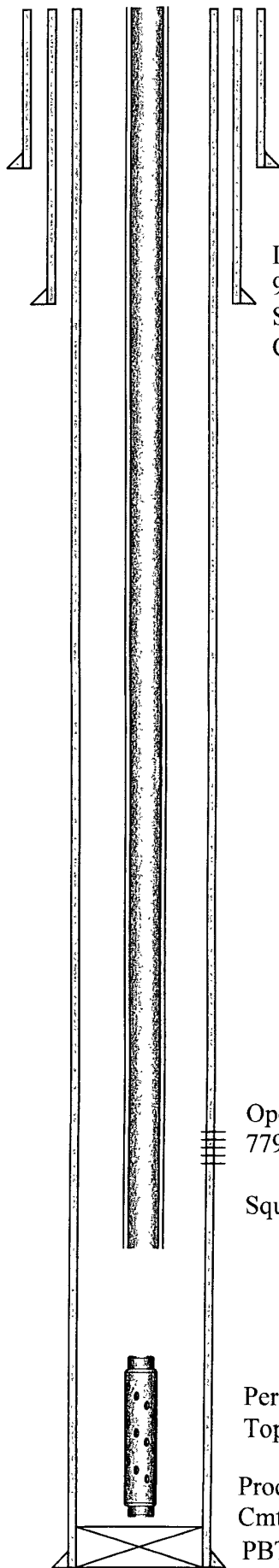
CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Approval Subject to MIT



Spud: 06/10/95
G.L. Elev.: 3782'
K.B.: 3798'

13 3/8" Conductor Casing
Set at 15', Cement to Surface
W/readi-mix.

Intermediate Casing
9 5/8" 36# Csg.
Set at 1210', Cmt. W/725 sks.
Circ. to surface

North Indian Basin Unit #17
10/17/99
U.L. "A", 990' FNL, 660' FEL
Sec. 11, T-21-S, R-23-E
Eddy Co., N.M.
Lease No.: NM-05608
API No.: 30-015-28386

Open Perforations: 7608'-28', 7576'-7648', 7656'-84', 7718'-34', 7768'-84',
7792'-7804', 7814'-62'.

Squeezed Perforations: 7866'-7922'

Perforating gun lost in hole
Top of fish: 7917'

Production Casing: 7" 26 & 23# Csg., Set at 8048'
Cmt. W/1275 sks. TOC @ 908'.
PBD: 7940'
TD: 8050'

North Indian Basin Unit No. 17 Well History

- 07/02/95:** Spud well 06/10/95. Drilled to TD of 8050'. Ran open hole logs. Ran & cemented 7" casing to 8048'.
- 07/26/95:** Drilled out cement to PBTD of 7955'. Ran cased hole logs. Perforated lower Canyon f/7866'-7922'. Acidized perms w/4500 gals 15% NEFE acid via PPI tool. Swabbed & tested. Set retainer @ 7737' & cement squeezed lower Canyon perms 7866'-7922'. Drilled out retainer & cement to PBTD of 7940'. Perforated f/7718'-34', 7768'-84', 7792'-7804' & 7814'-62'. Acidized perforations w/13,500 gals 15% NEFE acid via PPI tool. Swabbed & tested. Ran static BHP (1762 PSI @ 7614'). RIH w/sub pump equipment.
- 08/02/95:** Grounded sub pump. POOH w/Sub pump. Fished bridge plug. RIH w/new TD1300 sub pump & equipment.
- 04/25/96:** Replaced sub pump.
- 08/21/96:** Burned motor flat. POOH w/sub pump equipment. Fished RBP. RIH w/replacement sub pump equipment.
- 02/07/97:** Rod up well. POOH w/sub pump equipment. Change out well head. RIH w/2" rod pump equipment.
- 09/05/97:** Stuck pump. Attempted to unseat pump & parted fiberglass rods. Stripped out of hole w/tubing & fiberglass rods. Latched on to steel rods & POOH w/rods & pump. POOH w/tubing. RIH testing tubing. Found split below collar of joint # 157. Replaced tubing. RIH w/rods & pump.
- 10/10/97:** Bad seating nipple. POOH w/rods & pump. Dropped standing valve, tubing would not test. POOH & changed out seating nipple. RIH testing tubing (OK). RIH w/rods & pump.
- 03/29/98:** Fiberglass rod part. POOH to FG rod part in body on rod #68. Fished rods & replaced rod. RIH w/rods & pump.
- 04/28/98:** Tubing leak. POOH w/rods & pump. Found bad tubing collar. RIH w/rods & pump.
- 05/27/98:** Tubing leak. POOH w/rods & pump. Found bottom fiberglass rod splintered. Dropped standing valve, tubing would not test. POOH w/tubing. First joint below tubing anchor had cracked threads. Replaced joint & RIH w/tubing. RIH w/rods & pump.
- 05/31/98:** Fiberglass rod part. POOH to part on fiberglass rod #26. Rod pulled out of socket in coupling. Attempted to unseat pump. Kept parting rods in sockets. Strip out of hole, latched on to rods, unseated pump & POOH w/rods & pump, laying down all fiberglass rods. RIH & landed tubing. RIH w/new fiberglass rods & existing steel rods & rebuilt insert pump.
- 06/06/98:** Pump repair. POOH w/rods & pump. Pump plunger broken. RIH w/exchanged pump & existing rod string.
- 08/04/98:** Pump repair. Changed out pump. Bad valves.
- 08/18/00:** Pump repair. POOH w/rods & pump. Pump was plugged w/paraffin. RIH w/exchange pump & existing rods.

- 02/21/99:** Add Cisco pay. POOH w/rods, pump & tubing. RIH & perforate Cisco f/7576'-7648' & 7656'-84'. Lost perforating gun in hole on 7608'-7628' perforating run. Tagged top of gun @ 7900'. RIH w/pressure bombs & ran static gradients. Acidized perfs w/141 bbls acid using rock salt divert. Swabbed well. RIH w/rod pump equipment.
- 03/16/99:** POOH & bailed fill from hole. Tagged perf gun. Rotated tubing & made 8". RIH w/rod pump equipment.
- 10/17/99:** Tubing leak. POOH w/rods & pump. Shop pump. POOH w/tubing. Scanlogged tubing, did not find leak. Laid down 36 jts blue band & 24 jts green band. Bailed 3' of fill from tubing. Performed 200 BBL Diklor treatment w/2000 gals CCA sour acid. RIH hydrotesting tubing. Tubing tested OK. RIH w/rods & pump.
- 1/20/01:** Change out polished rod.
- 5/1/02:** Current chemical program: 1900 & VD070 TT for corrosion. Taken off hot water list in April '02 (75 BBL hot water, 35 gal 6495 paraffin chemical, 5 gal 9037 surfactant) and put on 6495 & 9012 TT for paraffin.
- 12/5/02:** Repair tubing leak – hole in bottom joint.
- 12/22/03:** Repair tubing – Hole in pump joint, wear related corrosion.
- 1/5/04:** Pump repair – R&R pump.
- 3/1/04:** Rod part – Box break in fiberglass rods, 15th rod from surface. Downsized pump to 1 1/2".
- 9/7/04:** Pump repair – R&R pump. Replaced bottom 27 joints with IPC tubing.
- 11/22/04:** Pump repair – R&R pump.
- 12/29/04:** Tubing leak – 6' from top tubing collar, rod wear. Scanlogged tubing and replaced 141 joints. R&R'd pump.
- 5/16/05:** Rod repair – parted pin on top pony rod. R&R'd pump, teardown showed evidence of fluid pound.
- 6/29/05:** Tubing repair – Rod wear, replace bottom 27 jts IPC tubing.
- 11/11/05:** Tubing repair – Replace 9 joints of IPC tubing.
- 2/19/07:** Put well on sub pump. POOH laying down rods. POOH scanning tubing. Replaced 85 joints of 2 7/8" L-80 due to rod wear. RIH with sub pump.
- 5/28/08:** POOH and lay down sub pump. Well uneconomic to run ESP. RIH with tubing open ended.

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Submit Subsequent Report and well bore diagram with all Perforations and CIBP with tops of cement. Well will be approved after successful MIT and subsequent report is submitted. Well must be online or plans to P&A well by January 1, 2010 North Indian Basin Unit #17.