

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
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

Form C-103
March 4, 2004

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

WELL API NO. 30-025-10442
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: J.L. Muncy
8. Well Number 3
9. OGRID Number 14021
10. Pool name or Wildcat DHC Blinbry 06660 / Drinkard 19190

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <u>Downhole Commingled</u>	7. Lease Name or Unit Agreement Name: J.L. Muncy
2. Name of Operator Marathon Oil Company	8. Well Number 3
3. Address of Operator P.O. Box 3487, Houston Texas 77253-3487	9. OGRID Number 14021
4. Well Location Unit Letter <u>N</u> : <u>350</u> feet from the <u>South</u> line and <u>1720</u> feet from the <u>West</u> line Section <u>24</u> Township <u>22-S</u> Range <u>37-E</u> NMPM County <u>Lea</u>	10. Pool name or Wildcat DHC Blinbry 06660 / Drinkard 19190
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3320'	

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit location: UL _____ Sect _____ Twp _____ Rng _____ Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____
Distance from nearest surface water _____ Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ;
_____ feet from the _____ line and _____ feet from the _____ line

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

NOTICE OF INTENTION TO:

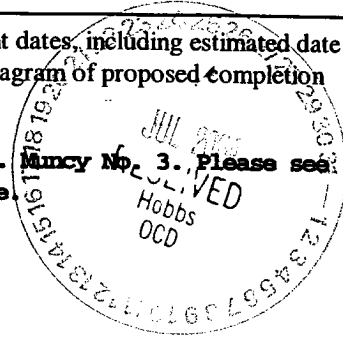
PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

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

Marathon Oil is proposing to run a rod string in downhole commingled well, J.L. Muncy No. 3. Please see attachment for details of planned well work, and a diagram of current well bore.



DHC-883

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Charles E. Kendrix TITLE Engineering Technician DATE 07/19/2004
Type or print name Charles E. Kendrix E-mail address: cekendrix@MarathonOil.com
Telephone No. 713-296-2096

(This space for State use)

APPROVED BY Larry W. Wink TITLE _____ DATE JUL 27 2004
Conditions of approval, if any:

**Workover Procedure
JL Muncy Well No. 3
350' FSL & 1,720' FWL, Unit N
Section 24, T-22-S, R-37-E
Lea County, New Mexico**

Date: 07/07/2004

WBS #s: WO.04.10685.CAP.CMP and WO.04.10685.CAP.EQP

AFE Cost: \$60,000

WI: 75%

NRI: 65.625%

Elevation: GL: 3,320' TD: 7,447' PBTD: 6,909'

Purpose: Place well on rod pump

Surface Casing: 13-3/8" casing set at 302'.

Intermediate Casing: 8-5/8" casing set at 2,801'.

Production Casing: 5-1/2", 17# casing set at 6,955'. TOC @ 2,380'

Tubing: 2-3/8" tbg, sliding sleeve at 6,180', pkr @ 6,202'

Current Completion: Blinebry 5,419'- 5,509'

Drinkard 6,266'- 6,904'

Special Considerations:

Use limited amounts of 2% KCL for kill fluid.

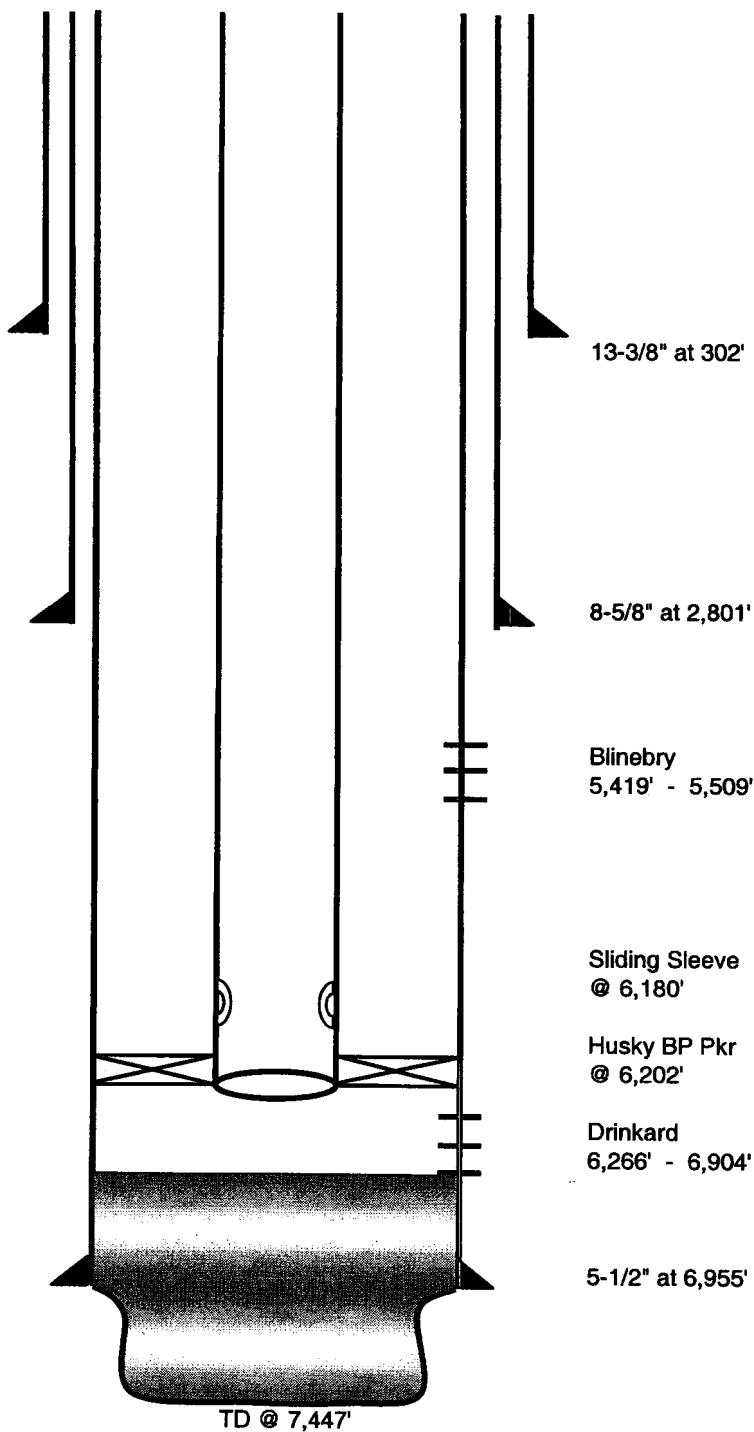
Verify current tbg tally w/Hobbs office prior to RU.

Verify with Brent Lockhart that WIO approval has been obtained prior to commencing work

Procedure:

1. Inspect surface location and improve if necessary. Test safety anchors to 22,500#.
2. MIRU WOR and reverse unit. Kill well w/limited amounts of 2% KCl.
3. ND wellhead. NU 3M BOPE. Release pkr and POOH w/2-3/8" tbg string, standing back. Visually inspect and replace as necessary.
4. TIH w/4-3/4" bit on 2-3/8' tbg and tag PBTD at 6,909. POOH w/same.
5. TIH w/mud anchor, SN on 2-3/8" production tbg. Space out tubing w/SN ~6,900'
6. ND BOPE and NU wellhead. TIH w/pump & rods. Space out pump. Hang well on. Connect surface equipment. RD WOR and MOL. Start pumping well to production facilities.

XC: R. S. Bose
W. H. Arnett
B. D. Lockhart
Well File



Field: Drinkard

Lease & Well: JL Muncy Well No. 3

Location: Unit N, 350' FSL & 1,720' FWL
Section 24, T-22-S, R-37-E

County & State: Lea County, New Mexico

Status: Active flowing well

TD: 7,447' **PBTD:** 6,909' **GL:** 3,320' **DF:** 3,329'

Surface Casing: 13-3/8" casing set @ 302'.
Cmt'd w/250 sks. Circ'd to surface

Intermediate Casing: 8-5/8" casing set @ 2,801'.
Cmt'd w/1,500 sks. Circ'd to surface

Production Casing: 5-1/2" 17# casing set @ 6,955'.
Cmt'd w/800 sks. TOC 2,380'

Tubing:

History:

December 1948 - Drilled & completed Blinebry (5,419'-5,509')

Initial test - 48 BCPD & 4,080 MCFD

December 1973 - Added Drinkard Abo (6,266' - 6,904').

Dualed w/Blinebry.

December 1974 - Frac'd Blinebry

Blinebry flowed 2,298 MCFD up casing

Drinkard Abo flowed 1,206 MCFD up tubing

April 1993 - Downhole commingled Drinkard & Blinebry
by shifting sleeve open.

April 2004 - Ran flowing gradient. Tagged obstruction
@ 6,127'. Liquid level @ 5,322'

Pressure at 6,120' was 356 psi.