

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. 30-025-25884
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: McDonald State A/C 2
8. Well Number 29
9. OGRID Number 14021
10. Pool name or Wildcat Blinebry Oil & Gas (06660)

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	11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3452'
2. Name of Operator Marathon Oil Company	
3. Address of Operator P.O. Box 3487, Houston Texas 77253-3487	
4. Well Location Unit Letter H : 1800' feet from the North line and 330' feet from the East line Section 13 Township 22-S Range 36-E NMPM County Lea	

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: ☐

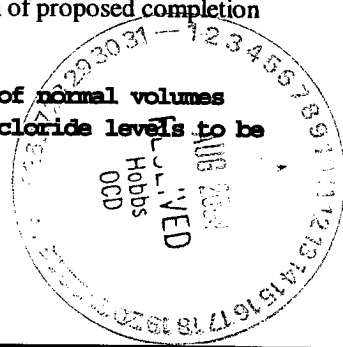
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: **Casing Leak** ☒

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 began work on this well on May 26, 2004 in response to water in excess of normal volumes being detected during well testing. A chloride test prior to pulling the well found chloride levels to be within a normal range.

Please see details of well work performed on the attached document.



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. Kendrick TITLE Engineering Technician DATE 08/02/2004
Type or print name Charles E. Kendrick E-mail address: cekendrix@MarathonOil.com
Telephone No. 713-296-2096

(This space for State use)
APPROVED BY Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE AUG 11 2004
Conditions of approval, if any:

McDonald State A/C 2 No. 29
Remedial Work to Identify Possible Casing Leak

- 05/26/2004 Rig up service unit. POOH w/ rods and pump. Installed BOP. Unset TAC. POOH w/ tubing. RIH w/ kill string. SI
- 05/27/2004 POOH w/ kill string. Rig up tubing tester. Hydro test tubing in the hole. RIH w/ RBP, Packer, & 175 jts. Set RBP @ 5410' test casing for leak. Casing did not hold. Continue up hole with RBP and packer testing to surface. Isolated hole in the casing between 33' to 67'. Pumped into hole w/ 1 bbl per minute @ 400 psi. Tested casing below 67' to 5409' casing held. Tested casing from 33' to surface and casing held. POOH w/ tubing and packer, closed blind rams. SI
- 06/02/2004 RIH w/ seating nipple on 65 jts tubing. SN @ 2000'. RU swab. Made initial swab run FL @ 100' from surface. Made 4 swab runs. Swabbed tubing dry. Wait 1 hour for fluid inflow. Fluid level rose from 2000' to 800' from surface in 1 hour. Made 5 swab runs, swabbed tubing dry. Wait 1 hour RIH w/ swab found fluid 600' from surface. Made 4 swab runs, swabbed tubing dry. Wait 1 hour RIH w/ swab found fluid @ 1500'. Made 2 swab runs. Swabbed tubing dry. SI
- 06/03/2004 RU Swab RIH fluid @ 1300'. Made 4 swab runs, swabbed tubing dry. Wait 1 hour for fluid to inflow. RIH fluid @ 1500' from surface. Made 4 swab runs, swabbed tubing dry. POOH w/ tubing and seating nipple. Closed blind rams. SI
- 06/04/2004 RIH w/ tubing retrieve RBP. POOH w/ tubing and RBP. RIH w/ CIBP. Set CIBP @ 5315 above top Blinebry perms @ 5460'. RIH w/ rods. POOH w/ rods laying down.
- 06/08/2004 Check casing pressure. Casing @ 0 psi. POOH w/ tubing laying down all. Nipple down BOP. Install tubing head and valve. Temporarily shut in well pending cement squeeze on casing leak.