

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  
May 27, 2004

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

WELL API NO.

30-025-37756

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

E.S. Owens 26

8. Well Number

1

9. OGRID Number

14021

10. Pool name or Wildcat

Wildcat San Andres

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 ☒ Gas Well ☐ Other

2. Name of Operator

Marathon Oil Company

3. Address of Operator

P.O. Box 3487 Houston, TX 77253-3487

4. Well Location

Unit Letter K : 1650 feet from the South line and 2310 feet from the West line

Section 26 Township 22-S Range 36-E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3495' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

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: Change Cement design for Prod Casing ☒

SUBSEQUENT REPORTING

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 change the cement squeeze job on the production casing on the E.S. Owens 26 No. 1 well. Verbal approval for this change was obtained this morning via phone conversation w/ Mr. Pual Kautz with NMOCD in Hobbs. This change request was brought about due to rotating equipment wearing a hole in the 8 5/8" surface casing two feet below the well head. Marathon is patching this hole with a cement plug, but we no longer believe it feasible to attempt pumping a cement cap from surface into the surface casing X production casing annulus. Marathon will instead use a stage tool to eliminate some of the hydrostatic pressure at the bottom hole where we encountered lost circulation. Please see the attachment for a complete description of the new procedure.

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 Regulatory Compliance Rep DATE 05/05/2006

E-mail address: cekendrix@marathonoil.com

Type or print name Charles E. Kendrick

Telephone No. 713-296-2096

For State Use Only

APPROVED BY [Signature]

TITLE PETROLEUM ENGINEER

DATE MAY 17 2006

Conditions of Approval, if any:

**E.S. Owens 26 No. 1**  
**Proposal to Cement Production Casing**  
**with Patched surface casing hole**

Surface Casing 8-5/8", 24#, J-55 set w/ 780 sks Premium Plus cement at 1246' (12 1/4" hole)-

1. Repair hole 2' below surface in 8 5/8" casing by filling 14" conductor X 8 5/8" annulus w/ ready mix cement.

Production Casing 5 1/2", 15.5#, J-55 at 4316' w/ Cementing Stage tool @ ~2900' (7-7/8" Hole)

2. Install floating, guiding and stage tool and run casing to 4316'. Circulate bottoms up three times with drilling mud.

3. Rig up Halliburton with cementing head. Pump 10 bbls of fresh water; Pump 500 gallons of Super Flush 101; Pump 10 bbls of fresh water; Mix and pump 550 sacks of

Premium Cement 0.4% Super CBL, 0.3% CFR-3, 0.25 lbs/sk D Air 3000.

Slurry Density 15.6 lbs/gal

Slurry Yield 1.19 cuft/sk

Water Requirement 5.21 gals/sk

Drop 5 wiper cement plug; Pump 800 gallons of 10% Acetic Acid; Displace plug

to

float with mud; Open Cementing state tool; Circulate with rig pump for four

hours

4. Rig up Halliburton to the Cementing head; Pump 10 bbls of fresh water; Mix and pump 1500 sacks of Inner Fill C Cement

Slurry Density 11.8 lbs./gal.

Slurry Yield 2.52 cuft/sk

Mix water 14.65 gals/sk

Mix and pump 100 sacks of Premium Plus Cement with 2% Calcium Chloride closing plug; Displace the plug to the cementing stage tool and close stage tool.