

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

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

Form C-103
May 27, 2004

WELL API NO. 30-025-37756	
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: E.S. Owens 26	
8. Well Number 1	
9. OGRID Number 14021	
10. Pool name or Wildcat Wildcat Grayburg	
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	
2. Name of Operator Marathon Oil Company	
3. Address of Operator P.O. Box 3487 Houston, TX 77253-3487	
4. Well Location Unit Letter <u>K</u> : <u>1650</u> feet from the <u>South</u> line and <u>2310</u> feet from the <u>West</u> line Section <u>26</u> Township <u>22-S</u> Range <u>36-E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3495' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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:

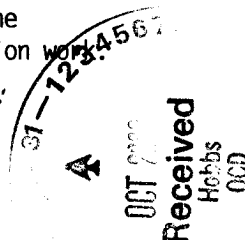
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Initial Well Completion Work ☒

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 Company completed the initial completion on the E.S. Owens 26 No. 1 in the (Wildcat) Grayburg pool. Please see the attached document for details of well completion work.



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 NMOCDD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Charles E. Kendrix TITLE Reg Compliance Rep DATE 10/17/2006

Type or print name Charles E. Kendrix

E-mail address: cekendrix@marathonoil.com

Telephone No. 713-296-2096

For State Use Only

APPROVED BY [Signature] TITLE _____ DATE APR 11 2007

Conditions of Approval, if any:

E.S. Owens 26 No. 1
Initial Well Completion
Wildcat Grayburg Pool

09/26/2006 RU Baker Atlas Perforation Equipment. RU Lubricator & Test to 1000 psi. RIH w/ 3 1/8" slick gun carrier w/ 311T 23 gram charges w/ 2 JSPF, 120° phasing, w/ collar locator. Get on depth. Perforated top down in 2 intervals with 2 gun runs in 7 1/2% HCL acid.

Interval (San Andres)	Feet	Shots
4120' – 4130'	10'	20
4158' – 4180'	<u>22'</u>	<u>44</u>
Totals	32'	64 holes

Load casing press perfs to 1800 psi. Perfs broke down increase rate to 2 1/2 BPM. Pumped 15 bbls water. ISDP = 1500 psi. RD acid truck. RIH w/ 5 1/2" pkr, 2 7/8" SN, 132 jts 2 7/8" J-55 tbg. Set pkr @ 4035'. Load and test annulus to 500 psi. RU Swab. RIH w/ swab IFL @ surface. Made 6 swab runs. Recovered 22 bbls load water. Swab tbg dry. Wait 30 minutes RIH w/ swab. FL @ 3800. No fluid entry. SI.

09/27/2006 RU swab IFL @ 3000'. Swab tbg dry. RU Macklasky acid pump truck. Test lines to 5000 psi. Pump 19 bbls water caught press. Switch to acid, & pump 3150 gals 15% HCL acid. Dropped 75 – 7/8" ball sealers. Saw some ball action switched to fresh water. Flushed 40 bbls fresh water. Max press 2150 psi @ 5.1 BPM rate. Bled off pressure. SI

09/28/2006 Slight blow on tbg. RU swab. IFL @ 800' f/ surface. Made 17 swab runs, recovered 137 bbls water w/ slight trace oil early, changed to black water later. FFL @ 2700' f/ surface.

10/01/2006 Tbg Press= 50 psi. RU Swab. IFL @ 800' f/ surface. Made 21 swab runs. Recovered 148 bbls water slight trace of oil early, changed to black water later. FFL @ 2700' f/ surface.

10/02/2006 Tbg Press = 85 psi. RU Swab. IFL @ 1300' f/ surface. Made 1 swab run. Recover 5 bbls water w/ ~ 3% oil cut. POOH w/ tbg & pkr. RIH w/ CIBP. Set CIBP @ 4090'. Test CIBP t/ 2000 psi. Held press. PUH 3 jts tbg. SI.

10/03/2006 RU acid truck. Spot 24 bbls 10% acedic acid f/ 2993' to 4001'. POOH w/ tbg. SI.

10/04/2006 RU Baker Atlas wireline. Install lubricator & test to 1000 psi. RIH w/ 3 1/8" slick gun carrier w/ 3111T 23 gram charges w/ 2 JSPF, 120° Phasing w/ collar locator. Get on depth Perforating the Grayburg top down In 10% acetic acid in 2 gun runs w/ 3 intervals as follows:

Interval	Feet	Shots
3870' – 3880'	10'	20
3912' – 3920'	8'	16
3988' – 3998'	<u>10'</u>	<u>20</u>
Totals	28'	56 holes

RIH w/ dump bailer and dump 20' cement on CIBP @ PBTD 4090'
 Load casing pressure up perfs to 1700 psi. Perfs broke puped 30 bbls water @ 3 BPM @ 1200 psi. RIH w/ 5 1/2" pkr, 2 7/8" SN, 124 jts J55 tbg.

Set pkr @ 3790'. Load and test casing annulus to 500 psi. SI

10/05/2006 RU Acid pump truck. Test lines to 500#. Pump 4 bbls water to est. rate of 5 BMP @ 1700 #. Switched to acid. Pumped 3150 gals 15% HCL acid and flushed w/ 30 bbls water. Dropped 75 – 7/8" ball sealers at last of acid. Good ball action but did not ball out. Well went on vacuum. Released pkr & RIH w/ 8 jts tbg to displace balls. POOH w/ 132 jts tbg, SN & pkr. RIH w/ RBP & 2 jts. Set RBP. POOH w/ tbg. Test RBP BOP blind rams to 1000#. Held pressure. POOH w/ RBP. Remove BOP. Install Frac valve, well head, flow back manifold. SI. Wait on Frac.

10/09/2006 RU Halliburton acidizing and sand frac equip. RU stinger tree saver. Start pumping pad. Caught press established rate 30.7 BMP @ 1740 psi. Pumped 310 bbl pad, pumped 381 bbls 1#/gal through 8#/gal sand, pumped 36 bbls 8#/gal sand, pumped 92 bbls flush. Max press 1806 psi. SI frac valve. RD stinger tree saver. RD Halliburton. Total load to recover 818 bbls w/ 80,440 lbs Premium Brown 20/40 sand w/ Expedite 225 flow back control added. SI

10/10/2006 Remove frac valve. Install BOP. RIH w/ 127 jts tbg. Tag top of sand fill @ 3862'. RU power swivel. Clean out sand to PBTD @ 4070'. Lay down swivel. POOH w/ 92 jts tbg. SI

10/11/2006 POOH w/ tbg. RU tbg tester. Hydrotest in hole. RIH w/ 2 jts 2 7/8" tbg, open ended, SN, Special Alloy jt, 10 jts 2 7/8" tbg, 5 1/2" TAC, 119 jts 2 7/8" tbg. ND BOP. Set TAC @ 3636', SN @ 3976', BOT @ 4039'. Flange up wellhead. RIH w/ 2" rod insert pump and rods. SI well.

10/12/2006 Cont in w/ rods. Seat pump. Load & Test pump action. RDMO PU. Leave well waiting on pumping unit to be set.

10/16/2006 Set Pumping unit and turned well to production.