

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

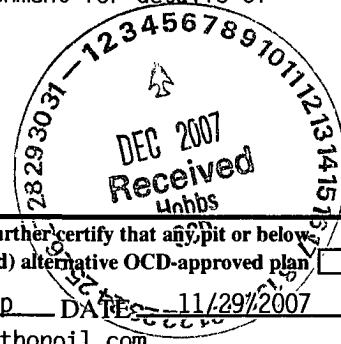
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|---|
| WELL API NO. 30-025-06126 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |

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|---|--|--|
| 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.) | | 7. Lease Name or Unit Agreement Name: Hansen State |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> - Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | | 8. Well Number 3 |
| 2. Name of Operator Marathon Oil Company | | 9. OGRID Number 14021 |
| 3. Address of Operator P.O. Box 3487 Houston, TX 77253-3487 | | 10. Pool name or Wildcat Monument Grayburg San Andres |
| 4. Well Location Unit Letter <u>A</u> : <u>660'</u> feet from the <u>North</u> line and <u>990'</u> feet from the <u>East</u> line Section <u>16</u> Township <u>20-S</u> Range <u>37-E</u> NMPM County <u>Lea</u> | | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>3562' GR</u> | | |
| 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 <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/> | SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: Recompletion work to Graybrug San Andres <input checked="" type="checkbox"/> |

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 has completed operations to plug back the Paddock formation and recomplete the Hansen State No 3 well to the Monument Grayburg San Andres pool. Please see attachment for details of well work. A completion report also accompanies this filing.



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 Regulatory Compliance Rep DATE 11/29/2007
Type or print name Charles E. Kendrix E-mail address: cekendrix@marathonoil.com Telephone No. 713-296-2096

For State Use Only

APPROVED BY Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE DEC 26 2007
Conditions of Approval, if any: 2A monument Paddock

Hansen State No 3

Plug back Paddock Re-complete Monument Grayburg San Andres

10/09/07 MIRU PU. RU Reverse Unit. Unbeam well. POOH /w rods & pump. Install BOPE. Unseat TAC. SI well.

10/10/07 Kill well w/ 20 bbls fresh water. POOH w/ tbg and BHA. RIH w/ 3 7/8" Bit, 4 1/2" csg scraper on 166 jts tbg to 5210'. POOH w/ tbg, scraper, & bit. RIH w/ RBP and 2 jts. Set RBP @ 60'. Load and test BOP. Flange, 2 7/8" pipe rams to 3000 psi. POOH w/ tbg. Load and test blinds to 3000 psi. RIH w/ tbg, retrieve RBP. RIH w/ 4 1/2" CIBP. Set CIBP @ 5150'. Circ. hole clean w/ 120 bbls fresh water. Pressure test CIBP to 500 psi @ surface. PUH w/ tbg to 4092' w/ 130 jts in hole. RU MacClaskey pump truck. Pump 500 gals 7 1/2 % HCL acid to bottom of tbg to pickle tubing. Reversed acid out of tbg. Pumped 168 gals 7 1/2% HCL acid to spot over perforation intervals. Acid spotted between 3835'-4092' after POOH w/ tbg. SI well.

10/11/07 RU Baker Atlas. RIH w/ CBL tag CIBP @ 5141' wireline depth. Pressure csg to 1000 psi. Run CBL log w/ collar locator from 5141' to 3700'. Released pressure. RU lubricator and tested to 1000 psi. Perforated Grayburg San Andres formation with 3 1/8" slick guns w/ 311T 23 gram charges w/ 1 JSPF, 120 ° phasing w/ collar locator w/ 3 gun runs for 10 intervals as follows:

| Interval | Feet | Shots |
|---------------|------|----------|
| 4018' – 4022' | 4' | 4 |
| 4025' – 4028' | 3' | 3 |
| 4032' – 4034' | 2' | 2 |
| 4043' – 4045' | 2' | 2 |
| 4049' – 4051' | 2' | 2 |
| 4052' – 4054' | 2' | 2 |
| 4069' – 4072' | 3' | 3 |
| 4076' – 4078' | 2' | 2 |
| 4084' – 4086' | 2' | 2 |
| 4088' – 4092' | 4' | 4 |
| Totals | 26' | 26 shots |

POOH w/ guns. Assemble dump bailer dump 10' cement on CIBP @ 5150'. POOH RD Baker Atlas. RU Hydro tester. RIH pressure testing w/ 4 1/2" HD pkr, 2 3/8" SN, 124 jts 2 3/8" tbg. Reverse circ 5 bbls water to clear csg annulus above pkr of acid. Set pkr @ 3908'. Loaded csg annulus. Loaded tubing. Pressure tbg and perforations to 2800 psi. Perfs began taking water. Pumped 10 bbls water. SI well.

10/12/07 RU swab and swabbed 29 bbls water w/ 2% oil cut. RU MacClaskey acid pump truck. Test lines to 6000 psi. Pumped 21 bbls water to load well & est. rate. Pump 50 bbls water dropping ball sealers. Well balled out. Bled pressure. RIH w/ 9 jts to knock of balls. POOH w/ 9 jts and reset pkr @ 3908'. Loaded and test annulus. SI well.

10/13/07 RU swab. IFL @ 950' f/ surface. Made 17 swab runs, recovered 40 bbls water. FFL @ 3900'.

10/15/07 RU swab IFL @ 1600' f/ surface. Made 5 swab runs, recovered 11 bbls water. RU MacClaskey Acid truck. Pumped 1500 gals 15% NeFe acid. Dropped 50 balls after 5 bbls. Balled out well w/ 5000 psi 5 times. Flushed w/ 25 bbls fresh water. RD acid truck. RIH to knock balls off perforations. PUH reset pkr. RU swab. IFL @ 900'. Made 15 swab runs, recovered 64 bbls. FFL @ 1000'. SI well.

10/16/07 RU swab IFL @ 1300' f/ surface. Made 3 runs recovered 25 bbls. Well started flowing. Flowed 195 bbls in 8 1/2 hrs w/ 12% oil cut. Released pkr PPH w/ tbg and pkr. RH w/ 20 stand killstring. SI well.

10/18/07 POOH w/ killstring. RIH w/ mud jt, perf sub, SN, sub, 7" TAC, & 124 joints 2 3/8" tbg. ND BOP. Set TAC w/ 12 pts tension. NU wellhead. SI well.

10/19/07 Pumped 25 bbls flush to clear tbg. RIH w/ 1 1/2" X 20' insert pump & rods. Seat pump. Hang well on Load and test for pump action. Installed casing choke. Left well pumping to facilities.