

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 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

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.)		WELL API NO. 30-025-04078
1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐		5. Indicate Type of Lease STATE ☒ FEE ☐
2. Name of Operator Marathon Oil Company ATTN: Rick Schell		6. State Oil & Gas Lease No. F-3654
3. Address of Operator P.O. Box 3487 Houston, TX 77253-3487		7. Lease Name or Unit Agreement Name McGrail State
4. Well Location Unit Letter <u>N</u> : <u>660'</u> feet from the <u>South</u> line and <u>1,980'</u> feet from the <u>West</u> line Section <u>26</u> Township <u>19-S</u> Range <u>36-E</u> NMPM Lea County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>3669' GR</u>		9. OGRID Number <u>192463</u> <u>14021</u>
Pit or Below-grade Tank Application ☒ or Closure ☐		10. Pool name or Wildcat Eumont Gas
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: steel _____ mil _____ Below-Grade Tank: Volume <u>180</u> 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 COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER NG CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOE ☐

OTHER: ☐

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.

SEE ATTACHED CURRENT AND PROPOSED PLUGGED WELLBORE DIAGRAMS

1. Set steel working pit, RU Basic plugging rig, NU BOP. POOH w/ production equipment as present
2. Set CIBP @ 2,585'. Circulate plugging mud and pump 35 sx C cmt @ 2,585' (base of salt @ 2,424')
3. Perforate & squeeze 50 sx C cmt 1,260 - 1,455'. WOC & TAG (top of salt plug & surface casing shoe)
4. Perforate & squeeze 50 sx C cmt 201 - 101'. WOC & TAG
5. Pump 15 sx C cmt 60' to surface.
6. Cut off wellhead & anchors, install dry hole marker, backfill cellar.

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 OC approved plan ☐.

SIGNATURE

TITLE Area Manager (Basic Energy Services) DATE 9/03/08

Type or print name James F. Newman P.E. E-mail address: James.Newman@BasicEnergyServices.com Telephone No. 432-687-1994

For State Use Only

APPROVED BY: James F. Newman

OC FIELD REPRESENTATIVE II/STAFF MANAGER

TITLE

DATE

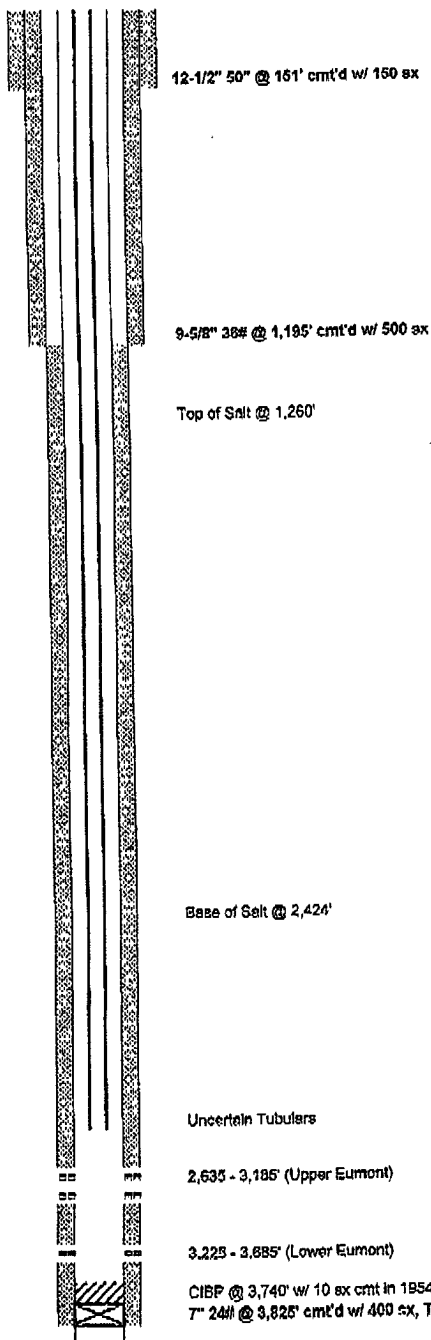
Conditions of Approval (if any):

SEP 04 2008

CURRENT WELLBORE SKETCH Marathon Oil Company

Dr to: September 2, 2008

RKB @ 3,678'
DF @
GL @ 3,669'



PSTD: 3,669'
TD: 3,990'

Subarea: _____
Lessee & Well No.: _____
Logel Description: _____
County: _____
Field: _____
Date Spudded: _____
API Number: _____
Status: _____

Stimulation History:

Well History

Oct 1938: Acidized OH 3820'-3980' (pay) with 81 BBL of acid.
1938: Acidized with 3000 gal of 15% HCL acid.
1941: Squeezed from 3817'-3980', Perf 3770'-3790', and no result. Drill back to 3980'.
1942: Shot 3950'-3980' in the OH w/ 48 holes (no result), per 3951'-3975' area acidized with 1001 gal of 15% HACL acid.

Jul '54: Set CIBP @ 37040' and CMT plug. Recomplete from G/S (3825'-3980', produced 82 MBBL oil) to Lower Eumont (3225'-3885'). Frac with 6000#. (perfs: 3225-45, 35-80, 3290-3310, 3400-20, 80-85, '0-85: 4 SPP: 215' net 860 holes).

Apr '84: Frac lower Eumont with 250,000# 18/30 sand, perf upper Eumont (2835'-3185') (perfs: 2835-81, 2880-2725, 2742-75, 2785-2805, 2822-2840, 2882-2898, 2915-2815, 2980-3005, 3170-85), frac with 226000#.

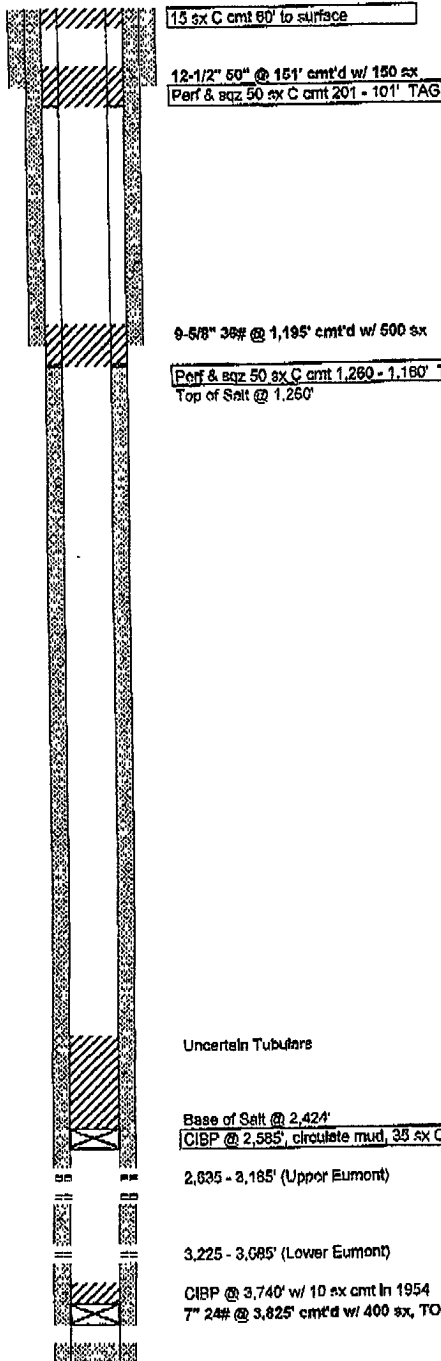
May '84: FWOP.

Aug '86: Remove RP and install jet pump.

PROPOSED PLUGGED WELLBORE SKETCH
Marathon Oil Company

Date: September 2, 2008

RKB @ 3,678'
DF @
GL @ 3,668'



Subarea: _____
Lease & Well No.: McGrail State #1
Legal Description: 880' FSL & 1980' FWL, Sec 18, T19S, R36E
County: Lea State: New Mexico
Field: Eumont
Date Spudded: Sept. 1, 1936 Rig Released: _____
API Number: 30-025-04078
Status: Proposed Plugged

Simulation History:**Well History**

Oct 1938: Acidized OH 3920'-3990' (pay) with 91 BBL of acid.
1938: Acidized with 3000 gals of 15% HCL acid.
1941: Squeezed from 2917'-3990'. Perf 2770'-3790', and no result. Drill back to 3990'.
1942: Shot 3950' - 3980' in the OH w/ 48 holes (no result). perf 351'-3975' and acidized with 1000 gals of 15% HACL acid.
Jul '54 Set CIBP @ 37040' and CMT plug. Recomplete from G/SA 3825'-3990', produced 82 MBBL of oil to Lower Eumont (3225'-3685'). Frac with 8000# (perfs: 3225-45, 81-80, 3290-3310, 3400-20, 60-85, 7 - 85: 1 SPF; 215' net 860 holes).
Apr '64 Frac lower Eumont with 255,000# 16/20 sand, perf upper Eumont (2835'-3185') (perfs 2835-80, 2890-2725, 2742-75, 2785-2005, 2822-2840, 2892-2608, 2915-2931, 2980-3005, 3170-85), frac with 225000#.
May '64 PWOP
Aug '66 Remove RP and install jet pump.

PROPOSED PLUGS

- 1) cmt CIBP @ 2,585', circulate plugging mud
- 2) 35 sx C cmt 2,585 - 2,374' slanted
- 3) Perf & sqz 50 sx C cmt 1,260 - 1,160', TAG
- 4) Perf & sqz 50 sx C cmt 201 - 101', TAG
- 5) Perf & sqz 50 sx C cmt 201 - 101', TAG
- 6) 15 sx C cmt 60' to surface

Capacities

7" 24# csg	4.867 ft/ft	0.2189 ft ³ /ft
	25.64 ft/bbl	0.0890 bbl/ft
9-5/8" 28# csg	2.304 ft/ft	0.1340 ft ³ /ft
	12.93 ft/bbl	0.0773 bbl/ft
12-1/2" 50# csg	ft/ft	ft ³ /ft
	ft/bbl	bbl/ft

Uncertain Tubulars

Base of Salt @ 2,424'
CIBP @ 2,585', circulate mud, 35 sx C cmt 2,585 - 2,374'

2,635 - 3,185' (Upper Eumont)

3,225 - 3,685' (Lower Eumont)

CIBP @ 3,740' w/ 10 sx cmt in 1954
7" 24# @ 3,825' cmt'd w/ 400 sx, TOC 1,184 Calc