

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

District II

1000 Rio Brazo

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

1301 W. Grand Avenue, Artesia, MASB2 12008

AMENDED REPORT

¹ API Number 30-025-34286				ELL LOCATION AND ACREAGE DEDICATION PLAT Pool Code 23000 Eunice Monument Grayburg San Andres					
⁴ Property Code 6398			[©] Property Name Hansen State					⁶ Well Number 9	
⁷ OGRID No. 014021			Operator Name MARATHON OIL COMPANY				1	⁹ Elevation 3544'	
					10 Surface L	ocation			
JL or lot no.	Section 16	Township 20 S	Range 37E	Lot Idn	Feet from the 2190	North/South line NORTH	Feet from the 460	East/West line EAST	County
			11 Вс	ottom Hol	le Location If	Different From	Surface		
L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	13 Joint or		onsolidation	Code 15 Ord	ler Na	<u></u>			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16	T		
		2190'	17 OPERATOR CERTIFICATION I hereby cerufy that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
		X 460',	Rick R. Settell Printed Name
			18SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my helief.
			Date of Survey Signature and Seal of Professional Surveyor. Certificate Number



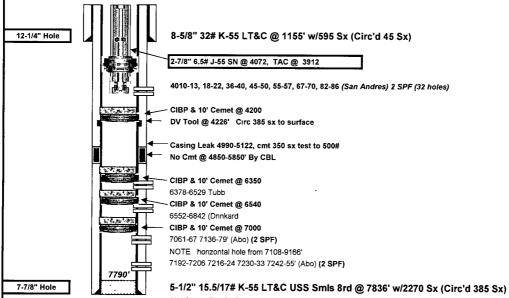
MARATHON OIL COMPANY MID-CONTINENT REGION MIDLAND OPERATIONS NORTHWEST NEW MEXICO

 FIELD:
 MONUMENT
 GL = 3544'
 BY:
 RS Bose

 LEASE:
 HANSEN STATE
 KB = 3557'
 WELL:
 9

COUNTY: LEA SPUD: 03/10/98 Reach TD: 03/31/98 STATE: NEW MEXICO
COMPLETED: 04/10/98 API: 30-025-34286

LOCATION: 2190' FNL & 460' FEL, SECTION 16, TOWNSHIP 20S, RANGE 37E, UNIT LETTER "H"



PBTD: 7790'

(1st Stage 700 Sx Circ 150 sx off DV tool) (2nd Stage 1500 Sx circ 385 sx to surface)

Formation Tops	
Yates	2495'
Queen	3354'
Grayburg	3595'
San Andres	3877'
Gloneta	5126'
Paddock	5203'
Blinebry	5677'
Tubb	6272'
Drinkard	6592'

Abo

Sep '08

6926

Well History

Apr '98	Perfd (Abo) w/2 SPF @ 7192-7206, 16-24 30-33 & 42-55' Acdzd same w/3800 Gal 15% Ferchek w/100 BS's AIR=5 25 BPM, AIP=5000#, ISIP=2305#, 5min=Vacuum, Pmax=6480# Perfs broke down @ 6400# Perfd (Abo) w/2 SPF @ 7061-67 & 7136-39' Acdzd same w/5500 Gal 15% Ferchek w/100 BS's AIR=7 6 BPM, AIP=500#, ISIP=Vacuum, Pmin=90#, Pmax=1185# Acdzd all Abo perfs 7061-7255' w/9000 Gal 15% Gelled Ferchek SC w/250 BS's AIR=11 87 BPM, Pmax=928#, 2210# on flush, on vacuum at end of job Turned to production flowing thru 1/4" choke @ 10 BOPD & 7 BWPD
May '98	Installed pumping equipment Turned to production pumping thru 2-7/8" tubing
May '99	Set CIBP @ 7120' Sqzd Abo perfs 7061-67' w/400 sx & 1000 gal flochek DOC to 7120' Cut window for horizontal drilling @ 7108-20' Drld 4-3/4" horizontal hole @ 7120-9166' Acid wached lateral open hole 7380-9166' w/25,000 gal 15% Hcl & 160 mcf nitrogen Well flwd 25 bbls fluid in one hour, then died
July '99	Pushed CIBP in vertical hole from 7120' to 7790' Perf'd (Abo) w/2 SPF - 17 holes @ 7060-68' Acdzd same w/2000 gal 20% Hcl in 70% nitrogen. Installed pumping equipment & returned to production pumping.
Sep '01	Locate casing leak at 4990'-5112' Cement leak with 350 sx, rev out 112 sx Tst sqz to 500 psi
Mar '08	Set CIBP@ 7000' Selectively perforate in acid the Tubb and Drinkard from 6378-6842 with 49 holes Acidize w/ diversion (perf ball sealers) using 80 bbls of 15% HCL Test Drinkard, no BHP Set CIBP@ 6540 with 10' cement and test Tubb No oil or gas Set CIBP@ 6350 w/ 10' cmt Set CIBP at 4200' w/ 10' cement

Perf San Andres in acid 4010-86 (32 holes) @ 2 SPF PWOP

Recompletion Procedure

Hansen State Well No. 9 2190' FNL, 460' FEL Section 16, 20S-37E, UL "H" Lea County, New Mexico

WBS NO: RW.08.17851

July 17, 2008 Date:

Purpose: Recomplete to San Andres

KB: 3557 **PBTD:** 4200' **Elevation:**

GL: 3544' TD: 7836'

Estimated Cost: \$60,000

Estimated Rig Days: 6

NRI: 87.5% WI: 100%

8-5/8", 32#, K-55 casing set at 1155'. Cemented w/ 595 sx. Circulated **Surface Casing:**

cement to surface (45 sx).

5-1/2", 15.5/17#, K-55 LT&C casing to 7836'. **Production Casing:**

Circulated 385 sx. TOC at surface'. (1st stage: 700 Sx Circ 150 Sx off DV tool) (2nd stage: 1500 Sx Circ 385 Sx to surface.)

2-7/8", 6.5#, J-55, EUE @4092, SN. **Production Tubing:**

High Concentration Of H2S Gas **Safety Issues:**

Tubular Performance/Capacities:

	ID (in)	Drift		Collapse	Capacity (bbl/ft)
2-7/8" 6.5# J-55	<u>(in.)</u> 2.441	(in.) 2.347	<u>(psi)</u> 5808	<u>(psi)</u> 7680	.00579
5-1/2" 15.5# K-55	4.95	4.825	3848	4040	.0238
Tbg/Csg Annulus					.0158

Procedure:

- MIRU WSU. Install and test BOPE. Load wellbore full w/freshwater and test to 500 psi. PU end of tubing to 4090' and circulate a balance 3-bbl slug of acid from 4090' to 3950' using 15% NEFEHCL inhibited for 48-hours at 100 deg F. POOH with tubing and tools.
- RU Baker Atlas electric line. Install and test pack-off to 1000psi. RU CBL/CCL logging 2. tools and run cement bond log in well from CIBP to 2400'. Hold 1000 psi on well while running CBL. POOH with logging tools. Install pack-off. RIH with 3-1/8" slick gun with 311T charges loaded 2 SPF, phasing is not critical. Perforate from top-down to maximize benefit of acid. For depth control use newly ran CBL and correlate new CBL to Schlumberger Compensated Neutron Three Detector Density/NGT log dated 03/29/1998.

4010'-4013' (3', 4 holes)

4018'-4022' (4', 5 holes)

4036'-4040' (4', 5 holes)

4045'-4050' (5', 6 holes)

4055'-4057' (2', 3 holes)

4067'-4070' (3', 4 holes) 4082'-4086' (4', 5 holes)

WORKOVER PROCEDURE Hansen State Well No. 9 Lea County, New Mexico

San Andres 25 Net Feet – 32 Holes

After last gun has been shot, pump 5 bbls of fresh water down casing to flush excess acid.

- 3. RIH w/TBG and PKR. Set packer @ +/-3990' and establish injection into new perforations. Pump +/- 10 bbls of fresh water at maximum rate not to exceed 5000 psi using reverse unit or kill truck. Load and test backside to 500 psi. Swab test perforations for ½ day. If the perforations are not giving up fluid and not productive, plans will be to acidize as listed below. Otherwise, PWOP.
- 4. RU acid company. Need a minimum of 500 HHP on location. Pump +/- 35 bbls of 15% NEFEHCL inhibited for 4 hours at 100 deg F. Use a ball injector loaded with 50 (1.1 SG) ball sealers for acid diversion. Start off pumping 5 bbls of acid, then drop 1 ball for each 1/2-bbl of acid pumped. After last ball, pump remaining 5-bbls of acid. Pump at maximum rate (4-5 BPM is desired) not to exceed 5000 psi surface pressure. Displace acid with 30-bbls of fresh water.
- 5. Release packer and lower past bottom perforation to knock ball sealers off perforations. POOH.
- 6. RIH with production equipment, set pump intake +/- 10' off bottom, set tubing anchor above top perforation and PWOP.