

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Pecos Rd., Aztec, NM 87411
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

June 19, 2008

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

WELL API NO.

30-025-37695

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit

Agreement Name

William Turner

8. Well Number **#9**

9. OGRID Number

14021

10. Pool name or Wildcat

Penrose-Skelly-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 ☒ Gas Well ☐ Other

2. Name of Operator:

Marathon Oil Company

3. Address of Operator

5555 San Felipe..... Mail Stop #3308.....Houston-Tx. 77253-3487

4. Well Location: Unit Letter **I**: **2225'** feet from the **South** line and **330'** feet from the **East** line

Section **29** Township **21-S** Range **37-E** NMPM **Lea** County

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

3463' - GR

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 ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Plug back Paddock ,Re-complete to 'GB' ☒

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 William Turner #9 by setting a 'CIBP' above the top of the Paddock @ 5008', and re-complete the well to the 'Grayburg' formation. Please see the attachments provided for details of the well work done.

Note: Fresh water used, and no solids or waste generated. 'Key Energy Services' trucked liquid to 'SWD'. C-144CLEZ attached.

Spud Date:

06-27-2008

Rig Release Date:

07/09/2008

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE **Rick R. Schell** TITLE **Regulatory Compliance Representative** DATE **11/25/2008**

Type or print name **Rick R. Schell** E-mail address: **rrschell@yahoo.com** PHONE: **713-296-3412**

For State Use Only

APPROVED BY: **[Signature]** TITLE **PETROLEUM ENGINEER** DATE **DEC 02 2008**

Conditions of Approval (if any):

2A Paddock

Marathon Oil Company
Operations Summary Report

Page 1 of 2

Legal Well Name: WILLIAM TURNER 09
Common Well Name: WILLIAM TURNER 09
Event Name: RECOMPLETION
Contractor Name: KEY ENERGY SERVICES
Rig Name: KEY ENERGY SERVICES

Spud Date: 5/9/2006
Start: 6/29/2008
End: 7/9/2008
Rig Release: 7/9/2008
Group:
Rig Number: 340

| Date | From - To | Hours | Code | Sub Code | Phase | Description of Operations |
|-----------|---------------|-------|--------|----------|--------|---|
| 6/27/2008 | 09:00 - 10:30 | 1.50 | MOB | RIG_ | RODOP | Held Safety meeting. MIRU PU. |
| | 10:30 - 14:30 | 4.00 | RUNPUL | RODS | RODOP | Unbeam well, unseated pump, pooh w/ 62 - 1" KD steel rods, 104 - 7/8" KD Steel Rods, and 10 - 1" KD Steel Rods. Layed down 50 - 7/8" KD's. |
| | 14:30 - 16:30 | 2.00 | NUND | BOPE | RODOP | ND WH, unset TAC, NU BOPE. Rig up floor. Had trouble w/ tong retractor. Shut down. |
| 6/30/2008 | 14:30 - 15:00 | 0.50 | SECURE | WELL | RODOP | SDFN. |
| | 15:00 - 06:30 | 0.50 | SAFETY | MTG_ | RODOP | Held Safety Meeting. Open Well up. |
| | 07:00 - 09:00 | 2.00 | RUNPUL | TBG_ | CMPPUL | Finished repairing the tbg tong retractor. Pooh w/ tubing tallying. 165 jts 2 7/8" J-55, TAC, 4 jts 2 7/8" J-55, 1 - Alloy jt 2 7/8", SN, 3 jts 2 7/8" J-55 open ended tail pipe w/ collar. |
| 7/1/2008 | 09:00 - 12:00 | 3.00 | SETREL | PLUG | CMPPUL | Rbih w/ CIBP, setting tool, per sub, SN & 166 jts tbg. Set plug @ 5100'. Loaded hole but couldn't get CIBP to hold psi. Went on Vac. Pooh w/ tbg & setting tool. Rbih w/ RBP. Set plug @ 5070'. 30' above CIBP on 164.5 jts Broke circ. and tested RBP to 2000 psi. Held good. Dropped 10' of sand on top of RBP. Pooh w/ tbg, setting tool Left kill string in hole. |
| | 20:30 - 21:00 | 0.50 | SECURE | WELL | CMPPUL | SW, SDFN. |
| | 06:30 - 07:00 | 0.50 | SAFETY | MTG_ | CMPPUL | Safety Meeting. Rig up Baker Atlas Perforating Equipment. |
| 7/3/2008 | 07:00 - 08:00 | 1.00 | TEST | EQUI | PERF | Assemble 3-1/8" Slick Gun Carrier w/ 311T w/ 23 gram Charges w/ 1 JSPF, w/ Collar Locator. PU pack off and tested to 1000 psi Held Pressure. |
| | 08:00 - 13:00 | 5.00 | PERF | WLNC | PERF | Arm and PU Perforating Gun. RIH w/ 3-1/8" Slick Gun Carrier w/ 311T w/ 23 gram Charges w/ 1 JSPF, w/ Collar Locator. Get on Depth. Perforate f/ 3857 - 68', 3814-16' & 3820 - 46' @ 1 SPF, all shots fired. POOH with Wire Line. Rbih w/ gun #2, and shot from 3814 - 16' - 3774 - 80' & 3739 - 41' @ 1 SPF, all shots fired. Rih w/ gun #3, and shot from 3684 - 90', & 3662 - 72' @ 1 SPF, all but 1 shot fired. Total of 48 holes. RD Baker Atlas. |
| | 13:00 - 18:00 | 5.00 | RUNPUL | TBG_ | CMPPUL | Rih w/ tubing to 3870'. RU pump truck, pumped a balance plug of 5 bls 7 1/2% NEFE HCL Acid w/ 21 bls fresh wtr. RD Acid truck. Pooh w/ tubing. Broke down perfs @ 900 psi. Pump in rate of 3.5 bpm @ 700 psi. ISIP @ 500 psi. Drop to 0 psi in 1 min. |
| 7/7/2008 | 18:00 - 18:30 | 0.50 | PERF | RURD | PERF | Rig down Baker Atlas Perforating Equipment. SDFN. |
| | 07:00 - 07:30 | 0.50 | SAFETY | MTG_ | CMPSTM | Held Safety Meeting. |
| | 07:30 - 11:00 | 3.50 | RURD | STIM | CMPSTM | Rig up Stinger Tree Saver. Rig up Halliburton Sand Fracturing Equipment w/ on the fly gel truck. Open surf by prod casing annulus and leave open during job. Test lines to 5000 psi. |
| 7/7/2008 | 11:00 - 13:00 | 2.00 | PUMP | FRAC | CMPSTM | Start Pumping Frac Job. Pumped 95 bls of 7 1/2% Acid, Pumped 1964 bls cross linked Gel Pad, 1-5 PPG 20/40 premium white sand totaling 151,200 lbs. Pumped Expedite in all sand down 5-1/2" casing. Pumped 83 bbls Flush liner gel. Average Treating Rate 53 bpm @ 2050 psi ISDP = 1120 psi. 5min=1083 psi. 10min= 1057 psi. 15min=1029 psi. Bleed off Surface line Pressure. |
| | 13:00 - 15:30 | 2.50 | RURD | STIM | CMPSTM | RD Stinger Tree Saver. Shut BOPE blind rams. Rig down Halliburton Frac Equipment. Total Load to Recover = 2162 bbls liquid to recover. |
| | 15:30 - 16:00 | 0.50 | SECURE | WELL | CMPSTM | Shut-in and Secure Well. SDFN. |
| 7/7/2008 | 07:00 - 07:30 | 0.50 | SAFETY | MTG_ | CMRUN | Held Safety Meeting. Check Well Pressure Casing had 150 psi. Bled down. Opened up well. |
| | 07:30 - 12:30 | 5.00 | RUNPUL | TBG_ | CLNOUT | RIH w/ 4 3/4" blade bit and 163 Jts 2-7/8" Tubing. Tag Top of sand Fill @ 5008'. Pooh laying down 45 jts, stand back rest. |
| | 12:30 - 16:30 | 4.00 | TEST | TBG_ | RODOP | RU hydrotesters to test in the hole. Rih w/ 2 jts 2 7/8", SN, 1 - alloy jt, 1 jt 2 7/8 and couldn't get testing tools to work. Try to fix, but no go. RD testers. Finish in hole w/ Kill string. Shut down. |

Operations Summary Report

Legal Well Name: WILLIAM TURNER 09
 Common Well Name: WILLIAM TURNER 09
 Event Name: RECOMPLETION
 Contractor Name: KEY ENERGY SERVICES
 Rig Name: KEY ENERGY SERVICES

Start: 6/29/2008
 Rig Release: 7/9/2008
 Rig Number: 340
 Spud Date: 5/9/2006
 End: 7/9/2008
 Group:

| Date | From - To | Hours | Code | Sub Code | Phase | Description of Operations |
|----------|---------------|-------|--------|----------|--------|--|
| 7/7/2008 | 16:30 - 17:00 | 0.50 | SECURE | WELL | RODOP | Shut-in and Secure Well. SDFN. |
| 7/8/2008 | 07:00 - 07:30 | 0.50 | SAFETY | MTG_ | RODOP | Held Safety Meeting. Open Well up. |
| | 07:30 - 08:30 | 1.00 | RUNPUL | TBG_ | CLNOUT | POOH w/ kill string, |
| | 08:30 - 11:30 | 3.00 | RUNPUL | TBG_ | RODOP | RU Hydrostatic pipe testers, tested in the hole w/ 2 jts 2 7/8" open ended w/ collar, Seating Nipple, 1 - Alloy Jt, 10 Jts 2-7/8" J-55 Tubing, 2-7/8" x 5-1/2" TAC, and 115 Jts 2-7/8". Tested Good. Total of 126 Jts above Seating Nipple. TAC @ 3544'. Seating Nipple @ 3882' and Bottom of Tubing @ 3943'. TAC 118' above top perforation set in 15 pts Tension, Seating Nipple 12' below bottom perforation. Bottom of open ended tbg is 1053' off bottom. PBTD (5008' top of sand). Grayburg perms @ 3662' - 3868'. |
| | 11:30 - 12:30 | 1.00 | NUND | BOPE | RODOP | Remove BOPE. Set TAC in 15 pts Tension. Install Well Head. Change out equipment to run Rods. |
| | 12:30 - 18:00 | 5.50 | RUNPUL | RODS | RODOP | Pick up rods and rih w/ 2.00" RWBC pump w/ strainer nipple, 10 - 1.0" KD's, 83 - 7/8" KD's, 60 - 1.0" KD's, 4' x 1.0" KD pony rod and 1.25" x 26' PR w/ 1.50"x16' Liner. Hung well on. L&T to 1000#. Held good w/ good pump action. Left well pumping to facility. |
| 7/9/2008 | 18:00 - 18:30 | 0.50 | SECURE | WELL | RODOP | Secure Well. SDFN. (Well head flange is 6" x 900) 5 1/2" csg - 15.5# |
| | 07:30 - 08:00 | 0.50 | SAFETY | MTG_ | CMRUN | Held Safety meeting. Clean and Inspect Location. |
| | 08:00 - 11:00 | 3.00 | RURD__ | RIG_ | RDMO | RDMO Pulling Unit. RDMO Reverse Unit. Well pumping to facility. |

Recompletion Procedure

William Turner Well No. 9

1980' FSL, 1650' FWL

Section 26, 19S-36E, UL "K"

Lea County, New Mexico

WBS NO: RW.08.17694.CAP

Date: June 2, 2008

Purpose: Recomplete to Grayburg

Elevation: KB: 3474' PBTB: 5294'
GL: 3463' TD: 5400'

Estimated Cost: \$355,000

WI: 100% NRI: 87.5%

Surface Casing: 8-5/8", 24#, J-55 set at 1303'. Cemented w/ 800 sx. TOC @ Surface
(Circ 22 bbl, 8-5/8" casing packer at 1120').

Production Casing: 5-1/2", 15.5#, J-55 LT&C at 5398'. Cemented with 1225 sx. TOC@ 68'
(RAL). Top of good cement @ 2910'.

Production Tubing: 2-7/8", 6.5#, J-55, EUE. TAC @ 5078', EOT @ 5324'.

Reservoir Pressure: Expected Pressure ~ <1630 psi

Perforations: Current: 5167-73', 5176-80', 5182-88', 5204-10', 5220-30' @ 2 SPF
(64 holes)

Safety Issues: H2S gas likely to be present

Tubular Performance/Capacities:

| | ID (in.) | Drift (in.) | Burst* (psi) | Collapse (psi) | Capacity (bbl/ft) |
|-------------------|-------------|----------------|-----------------|-------------------|----------------------|
| 2-7/8" 6.5# J-55 | 2.441 | 2.347 | 5808 | 7680 | .00579 |
| 5-1/2" 15.5# J-55 | 4.950 | 4.825 | 3848 | 4040 | .0238 |
| Tbg/Csg Annulus | ----- | ----- | ----- | ----- | .0158 |

*80%

Procedure:

1. Use fresh water as workover fluid.
2. RU WSU. Kill well with fresh water. Unseat pump POOH w/ Rods and pump. Unflange well head, release TAC. Install and test BOPE. POOH Stand Back 2-7/8" Tbg.
3. RIH with cast iron bridge plug (CIBP). Set CIBP at +/-5100'. Circulate wellbore full w/freshwater and test to 2000 psi. PU end of tubing to 3870' and circulate a balance 5-bbl slug of acid from 3870' to 3660' using 7-1/2" NEFEHCL inhibited for 48-hours at 125 deg F. POOH with tubing and tools.
4. **Perforate:**
RU Baker-Atlas electric line with pack-off. For depth control use Baker Hughes Radial Analysis Log dated 5-31-2006. RU and test pack-off to 1000 psi. RIH with 3-1/8" slick guns loaded with 311T charges at 1 SPF and perforate 49 feet with 49 holes as follows. (*It is desired to perforate from top down to maximize acid in wellbore*):

RECOMPLETION PROCEDURE

William Turner Well No. 9

Lea County, New Mexico

3662-72 (10', 10 holes)
3684-90 (6', 6 holes)
3710-16 (6', 6 holes)
3739-41 (2', 2 holes)
3774-80 (6', 6 holes)
3814-16 (2', 2 holes)
3820-26 (6', 6 holes)
3857-68 (11', 11 holes)

49 Net Feet – 49 Holes

After last gun has been shot, tag CIBP and verify setting depth of top of CIBP. Dump 1 bailer of cement on CIBP. Pump 5 bbls of fresh water down casing to flush excess acid. RD Baker-Atlas.

Casing collars at: 3621', 3663', 3705', 3747', 3790', 3833', 3875'. With marker joint @ 3433-3452'.

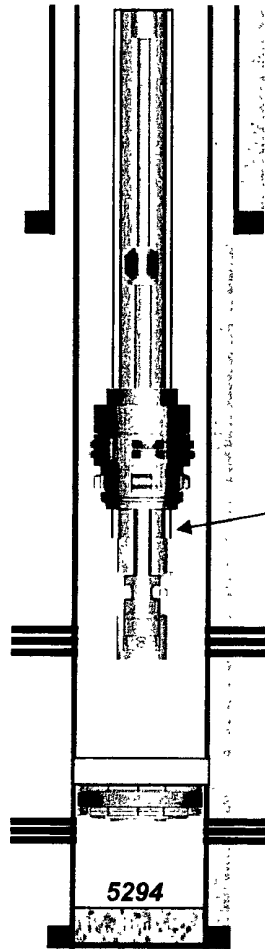
5. Frac per Halliburton design. Frac date scheduled for July 2, 2008.
 - 150,281 # 20/40 brown sand
 - Five (5) – 500-bbl frac tanks w/ freshwater
 - Pump down casing at 55 BPM w/ treesaver
 - Use expedite on all sand
 - Displace with 95% of casing capacity to top perf (83 bbls)
 - Start flush when 2 ppg below max concentration
6. RD Halliburton equipment and tree saver.
7. RIH w/ bit and clean-out sand to 5100'. Reverse circulate well until clean returns. POOH.
8. RIH with 2 7/8" production equipment to produce Grayburg only. Remove BOP. Install wellhead. Set pump intake below perfs and TAC above top perforation. Install rods and pump. PWOP.

William Turner #9



12-1/4" Hole

7-7/8" Hole



8-5/8" 24# J-55 @ 1303' w/ 800 Sx TOC @ Surface (Circ 22 bbls)
8-5/8" casing packer at 1120'.

2-7/8" 6.5# J-55 EUE, TAC@3544', SN @ 3882, EOT @ 3943'

3662-72, 3684-90, 3739-41, 3774-80, 3814-16
3820-46, 3857-68 (48 holes) *Grayburg*

CIBP @ 5100' w/ sand to 5008'

5167-5230' 2 SPF (64 holes) *Paddock*

5-1/2" 15.5# J-55 LT&C @ 5398' w/1225 Sx TOC 68' (RAL)
Top of good cement 2910'

GL: 3463' KB: 3474'

PBTD: 5294' TD: 5398'

| | | | | | | | |
|-----------------|----------|--------------------|--------------|----------|--|----|---------------|
| Well Name & No. | | William Turner # 9 | | Field | Drinkard | | Date 09/24/08 |
| County | LEA | API | 30-025-37695 | State | NEW MEXICO | By | R S Bose |
| Spudded | 5/8/2006 | Comp Drlg | 5/21/2006 | Location | 2225' FSL, 330' FEL, Section 29, Township 21S, Range 37E, UL "I" | | |

Well History

May 06 Spud and drill well to 5400'. Perforate Paddock from 5167-73, 76-80, 82-88, 5204-10, 5220-30' (2 SPF). Frac well 72 bbls of 7-1/2% HCL, 40 K gals and 125 K lbs 20/40 brown sand. PWOP.