

October 13, 2009

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

87505

RECEIVED

DEC 09 2009

HOBBS

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-06414 ✓
7. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/> ✓
7. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Eumont Hardy Unit ✓
8. Well Number 038 ✓
9. OGRID Number 151228 ✓
10. Pool name or Wildcat Eumont; Yates, 7 RVRS, Queen ✓

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 **WIW** ✓

2. Name of Operator

Mar Oil and Gas Corporation ✓

3. Address of Operator

PO Box 5155 Santa Fe, NM 87502

11. Well Location

Unit Letter **I** : **3300** feet from the **North** line and **660** feet from the **East** line ✓Section **6** Township **21S** Range **37E** NMPM **Lea** County

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

3502

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 ☐

SUBSEQUENT REPORT OF:

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

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

No earthen pits will be constructed. All well fluids will be circulated to steel pit

Please see attached workover procedure

Spud Date:

Rig Release Date:

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

SIGNATURE

*Billy E. Prichard*TITLE **Foreman**

DATE

12/6/2009Type or print name **Billy(Bill)E.Prichard**E-mail address: **billy@pwllc.net**

PHONE: 4329347680

For State Use Only

APPROVED BY:

B. Prichard

TITLE

PETROLEUM ENGINEER

DATE

DEC 10 2009

Conditions of Approval (if any):

**Mar Oil and Gas Corporation
Eumont Hardy Unit # 38
API # 30-025-06414
3300 FNL x 660 FEL
Unit Letter "I", Section 6, T21S, R37E
Lea County, New Mexico**

Well Data

Spud 4/10/1938

13" casing at 298ft. Cement with 200 sack cement. Cement Circulated

9 5/8" casing at 1385ft. Cement with 500 sacks cement. TOC calc 500ft

7" casing at 3515ft. Cement with 300 sacks cement.

Open hole 3515-3785ft. Cement retainer at 3400ft

Failed OCD test 10/2008

Procedure 1

- 1. Set service unit anchors as needed**
- 2. Move in rig up service unit**
- 3. Nipple up BOP**
- 4. Run 6 1/4" bit x 6-3 1/8" drill collars x 2 3/8" work string**
- 5. Drill out cement retainer at 3400ft**
- 6. Clean out as necessary to PBTD 3785ft**
- 7. Pull tubing and tools**
- 8. Run 4 1/2" 10.60 J55 casing to PBTD**
- 9. Cement with 200sx Class C cement**
- 10. WOC**
- 11. Run 3 7/8" bit x work string**
- 12. DO cement to PBTD 3780ft**
- 13. Run GR/CCL log PBTD to 3000ft**
- 14. Perforate Queen with 4 JSPF with 3 1/8" casing guns**
- 15. Run 4 1/2" treating packer x workstring x PSA 3600ft**
- 16. Acidize 2000 gallons 15% NEFE with ball sealers**
- 17. Release packer x lay down work string**
- 18. Run nickel coated 4 1/2" AD1 packer x 2 3/8" IPC injection tubing**
- 19. Swing packer at 3600ft**
- 20. Notify NMOCD of pending test**
- 21. Displace 4 1/2" x 2 3/8" annulus with packer fluid**
- 22. Nipple down BOP**
- 23. Set packer at 3600ft x pressure test to 350 psi for 30 minutes**
- 24. Rig down move out service unit**
- 25. Tie well in to injection header with 2 3/8" IPC tubing**
- 26. Return well to injection service**