

District I  
1625 N. French Dr., Hobbs, NM 88240

District II  
1301 W. Grand Avenue, Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

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State of New Mexico  
Energy Minerals and Natural Resources

MAR 25 2011 Oil Conservation Division

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

Form C-101  
June 16, 2008

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address <b>MARSHALL &amp; WINSTON, INC.</b>		<sup>2</sup> OGRID Number <b>014187</b>
<sup>3</sup> Property Code <b>38545</b>		<sup>4</sup> API Number <b>30-02536013</b>
<sup>5</sup> Property Name <b>M&amp;W FEE</b>		<sup>6</sup> Well No. <b>#1</b>
<sup>9</sup> Proposed Pool 1 <b>TOWNSON PERMO UPPER PENN</b>		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>I</b>	<b>26</b>	<b>15S</b>	<b>34E</b>		<b>1974</b>	<b>SOUTH</b>	<b>1129</b>	<b>EAST</b>	<b>LEA</b>

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>I</b>	<b>26</b>	<b>15S</b>	<b>34E</b>		<b>1974</b>	<b>SOUTH</b>	<b>1129</b>	<b>EAST</b>	<b>LEA</b>

Additional Well Information

<sup>11</sup> Work Type Code <b>EP</b>	<sup>12</sup> Well Type Code <b>O</b>	<sup>13</sup> Cable/Rotary <b>Rotary</b>	<sup>14</sup> Lease Type Code <b>FEE</b>	<sup>15</sup> Ground Level Elevation <b>4055</b>
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth <b>11496'</b>	<sup>18</sup> Formation <b>PENN</b>	<sup>19</sup> Contractor	<sup>20</sup> Spud Date <b>4-1-2011</b>

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACH C-103

Permit Expires 2 Years From Approval  
Date Unless Drilling Underway  
Plugback

APR 06 2011

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*Vernon D. Dyer*

Printed name:

VERNON D. DYER

Title:

AGENT

E-mail Address:

VDYEROIL@CABLEONE.NET

Date:

3-25-2011

Phone:

575-420-0355

OIL CONSERVATION DIVISION

Approved by:

**Denied**

DENIED BY Oil Conservation Division

On 4/5/11 see attached letter

APD Reviewed by Donna Mull

For more information on this matter, please call  
Donna Mull @ (575) 393-6161 ext 115 or  
email donna.mull@state.nm.us

APR 06 2011

DENIED because of Financial assurance per  
Rule 19.15.5.9.(A)(1).

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MAR 25 2011

State of New Mexico

Form C-102

Energy, Minerals &amp; Natural Resources Department

Revised July 16, 2010

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505Submit one copy to appropriate  
District Office☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-02536013	<sup>2</sup> Pool Code 59847	<sup>3</sup> Pool Name TOWNSON PERMO UPPER PENN
<sup>4</sup> Property Code 38545	<sup>5</sup> Property Name NEW FEE	
<sup>7</sup> OGRID No. 014187	<sup>8</sup> Operator Name MARSHALL E. WINSTON, INC.	<sup>6</sup> Well Number #1
		<sup>9</sup> Elevation 4055'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	26	15S	34E		1974	SOUTH	1129	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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				<b>17 OPERATOR CERTIFICATION</b> I hereby certify 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 unless 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. <u>Vernon D. Dyer</u> 3-25-2011 Signature Date <u>VERNON D. DYER</u> Printed Name <u>vdyeo1@cablenet.net</u> E-mail Address
				<b>18 SURVEYOR CERTIFICATION</b> 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 belief. Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number

APR 06 2011

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103

October 13, 2009

RECEIVED

MAY 12 2010

HOBBSCOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-36013

5. Indicate Type of Lease

STATE FEE X

6. State Oil &amp; Gas Lease No.

N / A ( Fee )

7. Lease Name or Unit Agreement Name

M&amp;W Fee 01

8. Well Number 01

9. OGRID Number 014187

10. Pool name or Wildcat

Townsend Perma - Cisco

## 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 X Gas Well Other:

2. Name of Operator

Marshall and Winston Incorporated

3. Address of Operator

P. O. Box 50880, Midland, TX 79710-0880

4. Well Location

Unit Letter I, 1974 feet from the South line and 1129 feet from the East lineSection 26Township 15 SRange 34 E

NMPM

Lea County

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

4055' 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 ☐

Come up hole and test Cisco

OTHER: Perforate and test the Cisco at (11,405 to 11,490)' .

☒

## SUBSEQUENT REPORT OF:

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

MIRU, Open well, release pressure, pump 10# Brine, rig down tree, NU BOP, release packer, pump 10# brine if needed, if not pump 2% KCL, pressure test 5 1/2" casing to 1,000 psi and hold for 30 minutes, pull 2 3/8" tubing (13,000 Ft.), RIH w/ 5 1/2" CIBP, set at 12,800 ft. RU WSI and run correlation Log, Perf Cisco b/t 11,405 and 11,490. RIH w/ 2 3/8" tubing and packer, Spot 500 gallons NEFE acid, set packer at 11,200 ft., pressure test back side from packer up to 1000 psi, pump acid away, establish pump rate, pump small acid frac 2500 gallons of NEFE and displace the 2 % KCL. RD pump trucks, WO acid to break, swab well.

Attached: Copy of Completion Prognosis

Planning to start work upon Sundry approval by the NMOCD.

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 Vernon D. Dyer TITLE Agent DATE 05/11/2010Type or print name Vernon D. Dyer E-mail address: vdveroil@cableone.com PHONE: (575) 420-0355

## For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_

APR 06 2011

**MARSHALL & WINSTON**  
**M & W FEE 1**  
**COMPLETION PROGNOSIS**  
**1974/S & 1129/E**  
**N/2 SE/4 Sec 26-I, T 15 S., R 345 E**  
**Lea County NM**  
**API: 30-025-36013**

1. MIRU Work-over Rig.
2. Open well to release pressure until well dies.
3. Pump 10# brine to kill the well.
4. Rig down tree and NU BOP.
5. Release packer and Pump 10# Brine if needed.
6. If 10# Brine is not needed pump 2% KCL and displace enter wellbore.
7. Pressure test 5-1/2" casing to 1000 psi for 30 minutes.
8. Pull 2-3/8" tubing approx 13,000'.
9. Run in hole with 5-1/2" CIBP and set at 12800'
10. RU WSI and run Correlation Log.
11. Run in hole with wireline.
12. We will selectively perforate the Cisco at interval 11405'- 11490'.
13. Run in hole with 2-3/8" tubing and packer.
14. Spot 500 gallons NEFE acid.
15. Set packer at about 11200'
16. Pressure test backside of tubing from the packer up to 1000 psi.
17. Pump acid away and establish a pump rate.
18. Pump small acid frac 2500 gallons of NEFE and displace with 2% KCL.
19. Rig Down pump trucks.
20. Wait for acid to break.
21. Swab well.

Venders:

Cavalos Well Service: Roger Garcia 575-369-5094 Work-over Rig, Pipe Racks, BOP

Tarpon Pipe: John 432-683-8777 Tubing

Pumper: Travis Flemmons 575-631-0906

VMJ Well Service: Frank 575-631-0439 Water Hauler, Kill Truck (knows which tank has brine water)

Production Specialties: Carlos 575-420-0908 Pump and pump supplies

Denny Snelson: 432-556-5590 Pumping Unit

Equipment Specialty Company: Tate Brandt (817) 692-4000 Sucker Rods

BJ Services: Mike Surabia.

Directions: In Lovington, NM take 17<sup>th</sup> Street (next to Lovington Inn) north to 'T' which is Gum Road. Turn left on Gum Road and go west for 7.5 miles. Turn right onto lease road at the cattle guard. Go north and east on the lease road for about 3 miles and road will end at the location.