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New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-140
Originated 11/1/95

Submit Original
Plus 2 Copies
to appropriate
District Office

H-0071

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE CONSERVATION DIVISION.

- I. Operator: Marathon Oil Company OGRID #: 14021
Address: P. O. Box 552 - Midland, Texas 79702
Contact Party: Richard E. Pollard Phone #: (915) 687-8326
- II. Name of Well: Warn State A/C 2 No. 8 API #: 3002503082
Location of Well: Unit Letter N, 330 Feet from the S line and 2233 feet from the W line,
Section 6, Township 18-S, Range 35-E NMPM, Lea County
- III. Date Workover Procedures Commenced: June 23, 1996
Date Workover Procedures were Completed: July 4, 1996
- IV. Attach a description of the Workover Procedures undertaken to increase the production from the Well.
- V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.
- VI. Pool(s) on which Production Projection is based: Abo and Drinkard
- VII. AFFIDAVIT:

State of Texas)
) ss.
County of Midland)

Richard E. Pollard, being first duly sworn, upon oath states:

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
Restoration Project.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Richard E. Pollard
(Name)

Senior Government Compliance Representative
(Title)

SUBSCRIBED AND SWORN TO before me this 16 day of July 1996.
Lucie Kerley
Notary Public

My Commission expires: 8-5-96

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 7-4, 1996.

Paul S. Kavitz
District Supervisor, District 1 Geologist
Oil Conservation Division
Date: 7/24/96

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.
DATE: _____

WARN STATE A/C 2 NO. 8
DESCRIPTION OF WORKOVER PROCEDURE
(6/23/96 - 7/4/96)

1. MI RU workover rig.
2. POOH with kill string.
3. RU, tested wireline lubricator and perforated Abo from 8782'-8450' with 4" casing gun. RIH with RBP and set at 8782'.
4. RIH with HD packer and 2-3/8" tubing set at 8740'.
5. Acidized new perfs with 6000 gallons 15% Hcl.
6. Released packer, moved RBP to 8740', set packer at 8642'.
7. Acidized perfs 8653'-8730' with 6000 gallons 15% Hcl.
8. RU swab unit and swabbed for 7 hours.
9. Released packer and retrieved RBP and POOH, RIH and set RBP at 8440'. Set packer at 8195'.
10. Acidized well with 25,000 gallons of 15% Hcl. SU swab and swabbed back spent acid.
11. Round tripped packer and bridge plug to change elements. Reset RBP at 8642' and packer at 8435'.
12. Treated upper Abo with 5000 gallons of 2% Kcl with 500 gallons of PAS.
13. Moved packer and bridge plug and treated middle Abo with same treatment.
14. POOH with packer and BP, ran production tubing. Put well on test.

h:\rep\WOPWarn#8

WARN STATE A/C 2 WELL NO. 8
BASIS OF PRODUCTION PROJECTION

The production projection was based on decline curve analysis using Aries PC program and the following parameters:

Gas:

Start of history match:	December 1970
End of history match:	June 1996
Projection method:	Exponential decline using auto fit method
Bad data removed:	None

Oil:

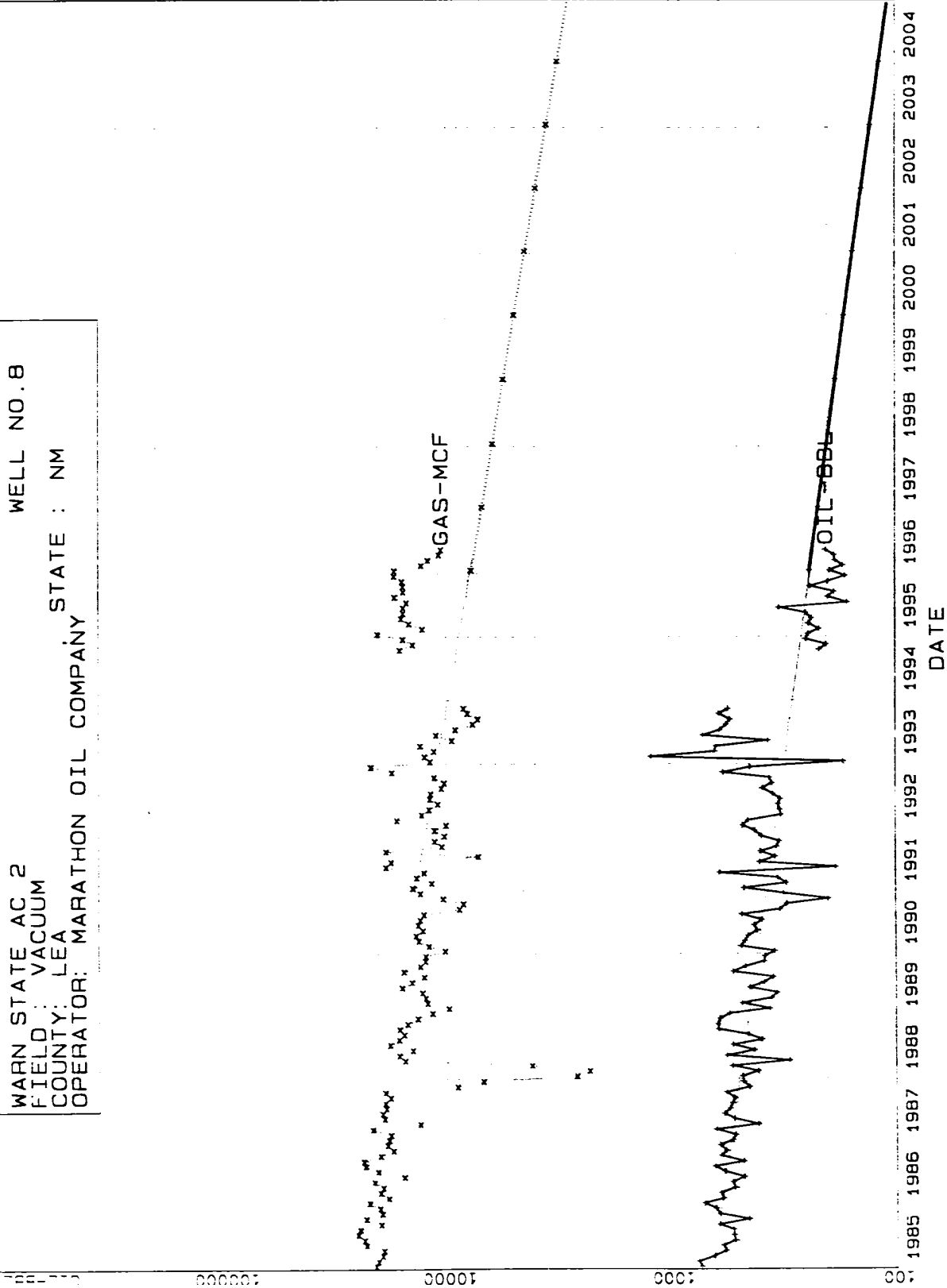
Start of history match:	December 1970
End of history match:	January 1996
Projection method:	Exponential decline using auto fit method
Bad data removed:	None

h:\rep\PrPrWarn

WARN STATE AC 2 WELL NO.8
 FIELD : VACUUM STATE : NM
 COUNTY: LEA
 OPERATOR: MARATHON OIL COMPANY

OIL - DEFAULT
 Ref - 01/96
 Cum - 635.005
 Rem - 28.463
 EUR - 663.468
 Yrs - 23.583
 Q1 - 239.7
 De - 8.462
 N - .000
 Gab - 30.0

GAS - DEFAULT
 Ref - 01/96
 Cum - 2101.721
 Rem - 77.516
 EUR - 2179.237
 Yrs - 23.083
 Q1 - 772.9
 De - 10.433
 N - .000
 Gab - 60.8



WARN STATE AC 2 WELL NO. 8
 API NO.
 VACUUM FIELD
 LEA COUNTY , NM

DATE: 07/12/96
 TIME: 09:23:17
 PAGE: 1
 MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	0	0
8/96	227	721
9/96	225	715
10/96	223	708
11/96	222	702
12/96	220	695
YTD/96	1117	3542
1/97	219	689
2/97	217	683
3/97	215	677
4/97	214	670
5/97	212	664
6/97	211	658
7/97	209	652
8/97	208	646
9/97	206	640
10/97	205	634
11/97	203	629
12/97	202	623
TOT/97	2520	7865
1/98	200	617
2/98	199	611
3/98	197	606
4/98	196	600
5/98	194	595
6/98	193	589
7/98	191	584
8/98	190	579
9/98	189	573
10/98	187	568
11/98	186	563
12/98	185	558
TOT/98	2307	7044
TOTAL	5944	18452

WARN STATE AC 2 WELL NO. 8

API NO.

VACUUM FIELD

LEA COUNTY , NM

DATE: 07/12/96

TIME: 09:23:18

PAGE: 2

MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
-----	-----	-----
PRIOR	5944	18452
1/99	183	553
2/99	182	548
3/99	180	543
4/99	179	538
5/99	178	533
6/99	177	528
7/99	175	523
8/99	174	518
9/99	173	514
10/99	171	509
11/99	170	504
12/99	169	500
-----	-----	-----
TOT/99	2111	6309
1/00	168	495
2/00	166	491
3/00	165	486
4/00	164	482
5/00	163	477
6/00	162	473
7/00	160	468
8/00	159	464
9/00	158	460
10/00	157	456
11/00	156	452
12/00	155	447
-----	-----	-----
TOT/00	1933	5651
1/01	153	443
2/01	152	439
3/01	151	435
4/01	150	431
5/01	149	427
6/01	148	423
7/01	147	420
8/01	146	416
9/01	145	412
10/01	144	408
11/01	143	404
12/01	142	401
-----	-----	-----
TOT/01	1769	5061
TOTAL	11757	35472

WARN STATE AC 2 WELL NO. 8
API NO.
VACUUM FIELD
LEA COUNTY , NM

DATE: 07/12/96
TIME: 09:23:19
PAGE: 3
MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	11757	35472
1/02	140	397
2/02	139	393
3/02	138	390
4/02	137	386
5/02	136	383
6/02	135	379
7/02	134	376
8/02	133	372
9/02	132	369
10/02	131	366
11/02	131	362
12/02	130	359
TOT/02	1620	4532
1/03	129	356
2/03	128	352
3/03	127	349
4/03	126	346
5/03	125	343
6/03	124	340
7/03	123	337
8/03	122	333
9/03	121	330
10/03	120	327
11/03	119	324
12/03	119	321
TOT/03	1482	4059
1/04	118	319
2/04	117	316
3/04	116	313
4/04	115	310
5/04	114	307
6/04	113	304
7/04	113	301
8/04	112	299
9/04	111	296
10/04	110	293
11/04	109	291
12/04	109	288
TOT/04	1357	3636
TOTAL	16216	47699

WARN STATE AC 2 WELL NO. 8
API NO.
VACUUM FIELD
LEA COUNTY , NM

DATE: 07/12/96
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MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	16216	47699
1/05	108	285
2/05	107	283
3/05	106	280
4/05	105	278
5/05	105	275
6/05	104	272
7/05	103	270
8/05	102	267
9/05	102	265
10/05	101	263
11/05	100	260
12/05	99	258
TOT/05	1242	3256
1/06	99	255
2/06	98	253
3/06	97	251
4/06	96	249
5/06	96	246
6/06	95	244
7/06	94	242
8/06	94	240
9/06	93	237
10/06	92	235
11/06	92	233
12/06	91	231
TOT/06	1137	2916
1/07	90	229
2/07	90	227
3/07	89	225
4/07	88	223
5/07	88	221
6/07	87	219
7/07	86	217
8/07	86	215
9/07	85	213
10/07	85	211
11/07	84	209
12/07	83	207
TOT/07	1041	2612
TOTAL	19636	56484

WARN STATE AC 2 WELL NO. 8
API NO.
VACUUM FIELD
LEA COUNTY , NM

DATE: 07/12/96
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PAGE: 5
MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	19636	56484
1/08	83	205
2/08	82	203
3/08	81	201
4/08	81	199
5/08	80	198
6/08	80	196
7/08	79	194
8/08	78	192
9/08	78	190
10/08	77	189
11/08	77	187
12/08	76	185
TOT/08	953	2339
1/09	76	184
2/09	75	182
3/09	75	180
4/09	74	179
5/09	73	177
6/09	73	175
7/09	72	174
8/09	72	172
9/09	71	171
10/09	71	169
11/09	70	167
12/09	70	166
TOT/09	872	2095
1/10	69	164
2/10	69	163
3/10	68	161
4/10	68	160
5/10	67	158
6/10	67	157
7/10	66	156
8/10	66	154
9/10	65	153
10/10	65	151
11/10	64	150
12/10	64	149
TOT/10	798	1876
TOTAL	22260	62794

WARN STATE AC 2 WELL NO. 8
 API NO.
 VACUUM FIELD
 LEA COUNTY , NM

DATE: 07/12/96
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 MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	22260	62794
1/11	63	147
2/11	63	146
3/11	62	145
4/11	62	143
5/11	62	142
6/11	61	141
7/11	61	139
8/11	60	138
9/11	60	137
10/11	59	136
11/11	59	134
12/11	58	133
TOT/11	731	1681
1/12	58	132
2/12	58	131
3/12	57	129
4/12	57	128
5/12	56	127
6/12	56	126
7/12	56	125
8/12	55	124
9/12	55	123
10/12	54	121
11/12	54	120
12/12	54	119
TOT/12	669	1505
1/13	53	118
2/13	53	117
3/13	52	116
4/13	52	115
5/13	52	114
6/13	51	113
7/13	51	112
8/13	50	111
9/13	50	110
10/13	50	109
11/13	49	108
12/13	49	107
TOT/13	612	1348
TOTAL	24272	67328

WARN STATE AC 2 WELL NO. 8
API NO.
VACUUM FIELD
LEA COUNTY , NM

DATE: 07/12/96
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MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	24272	67328
1/14	49	106
2/14	48	105
3/14	48	104
4/14	48	103
5/14	47	102
6/14	47	101
7/14	47	100
8/14	46	99
9/14	46	98
10/14	46	97
11/14	45	96
12/14	45	96
TOT/14	561	1207
1/15	45	95
2/15	44	94
3/15	44	93
4/15	44	92
5/15	43	91
6/15	43	90
7/15	43	90
8/15	42	89
9/15	42	88
10/15	42	87
11/15	41	86
12/15	41	86
TOT/15	513	1081
1/16	41	85
2/16	40	84
3/16	40	83
4/16	40	83
5/16	40	82
6/16	39	81
7/16	39	80
8/16	39	80
9/16	38	79
10/16	38	78
11/16	38	77
12/16	38	77
TOT/16	470	968
TOTAL	25815	70585

WARN STATE AC 2 WELL NO. 8
API NO.
VACUUM FIELD
LEA COUNTY , NM

DATE: 07/12/96
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MOCNM.DBS

P R O D U C T I O N F O R E C A S T

DATE	OIL / COND	GAS
PRIOR	25815	70585
1/17	37	76
2/17	37	75
3/17	37	75
4/17	36	74
5/17	36	73
6/17	36	73
7/17	36	72
8/17	35	71
9/17	35	71
10/17	35	70
11/17	35	69
12/17	34	69
TOT/17	430	867
1/18	34	68
2/18	34	67
3/18	34	67
4/18	33	66
5/18	33	66
6/18	33	65
7/18	33	64
8/18	32	64
9/18	32	63
10/18	32	63
11/18	32	62
12/18	31	62
TOT/18	394	777
1/19	31	61
2/19	31	0
3/19	31	0
4/19	31	0
5/19	30	0
6/19	30	0
7/19	30	0
8/19	0	0
9/19	0	0
10/19	0	0
11/19	0	0
12/19	0	0
TOT/19	214	61
TOTAL	26853	72290