

District I - (505) 393-6161
PO Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410

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-0399

**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, TX 79702

Contact Party: Richard E. Pollard Phone #: 915/687-8326

II. Name of Well: Mark Owen No. 4 API #: 30-025-07040
Location of Well: Unit Letter K, 1980 feet from the South line and 1980 feet from the West line.
Section 35, Township 21-S, Range 37-E, NMPM, Lea County

III. Date Workover Procedures Commenced: 5/3/97
Date Workover Procedures were Completed: 5/23/97

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: Drinkard and Abo

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) Richard E. Pollard

Senior Government Compliance Representative
(Title)

NOV 13 1997

mf

SUBSCRIBED AND SWORN TO before me this 13th day of Nov, 1997.

Lucy Kerley
Notary Public

My Commission expires: 8-5-2000

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 5-23-97, 1997.

Paul E. Kautz
District Supervisor, District 1
Oil Conservation Division

Date: 11/24/97

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

NOV 24 1997
OIL CONSERVATION DIVISION

Mark Owen Well No. 4
BASIS OF PRODUCTION PROJECTION
Combined Drinkard and Abo Production

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

Gas:

| | |
|-------------------------|-------------------------------------|
| Start of history match: | 3/96 |
| End of history match: | 4/97 |
| Projected method: | Exponential decline using auto fit. |
| Bad data removed: | None. |

Oil:

| | |
|-------------------------|---|
| Start of history match: | 9/92 |
| End of history match: | 4/97 |
| Projected method: | Got slope from above, slid line up to match last grouping of data points. |
| Bad data removed: | None. |

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs NM 88240

DISTRICT II
811 S. 1st Street, Artesia, NM 88210-2834

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

| | |
|--------------------------------------|--|
| WELL API NO. | 30-025-07040 |
| 5. Indicate Type of Lease | STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name | Mark Owen |
| 8. Well No. | 4 |
| 9. Pool name or Wildcat | Blinebry Oil & Gas (Gas) |

| | |
|---|--|
| 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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER | |
| 2. Name of Operator Marathon Oil Company | |
| 3. Address of Operator P.O. Box 2409, Hobbs, NM 88240 | |
| 4. Well Location Unit Letter <u>K</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>35</u> Township <u>21-S</u> Range <u>37-E</u> NMPM Lea County | |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) KB 3384' GL 3372' | |

11. 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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Recomplete to Blinebry ☒

12. 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.

Marathon Oil Company has recompleted the well in the Blinebry formation and has shut-in the Drinkard and Wantz Abo formation as of May 7, 1997. Please see attachment for the summary of work done.

RECEIVED
JUN 12 1997

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

SIGNATURE Kelly Cook TITLE _____ DATE May 30, 1997

TYPE OR PRINT NAME Kelly Cook OFFICIAL BY CHRIS WILLIAMS

(This space for State Use) DISTRICT I SUPERVISOR

TELEPHONE NO. 393-7106

JUN 09 1997

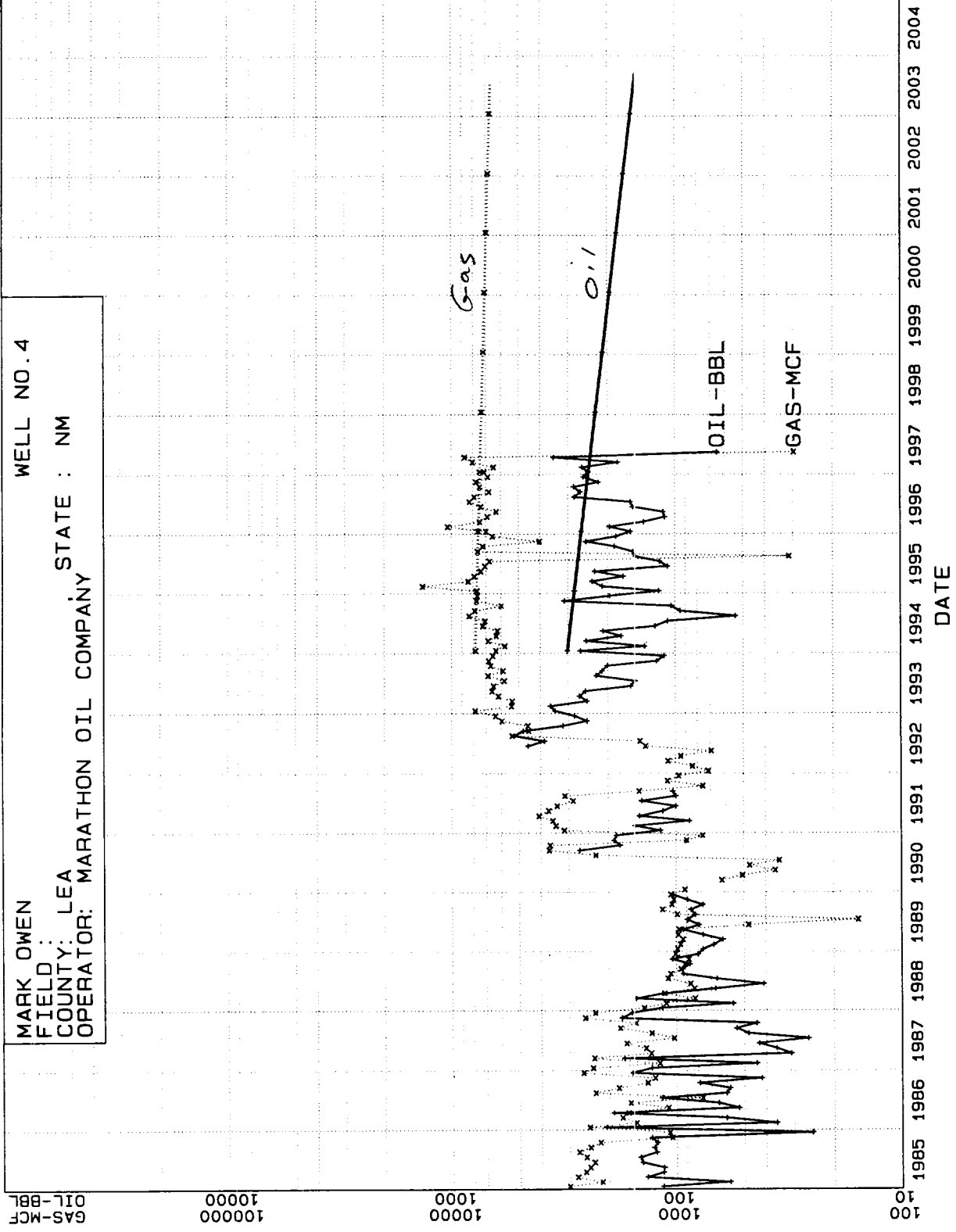
APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

1. MIRU pulling unit. POOH w/rods and pump. ND wellhead. NU BOPE. POOH w/tbg. Kill well.
2. RIH w/RBP to 630'. Test to 1000 psi, OK. POOH w/RBP. RIH w/RBP and pkr to 6450'. Set RBP at 6450'. PUH and set pkr at 6448'. Test RBP to 2000 psi, OK. Displace csg w/2% KCL. PUH and set pkr at 5400'. Tested squeezed perfs, OK. POOH w/pkr.
3. PU and RIH w/RBP w/ball catcher. Set RBP at 6000'. Hot oil tbg w/50 bbls oil. Pickle tbg w/600 gals of 15% HCL acid. Pressure test, OK. POOH.
4. RU wireline company. Perforate Blinebry w/2 JSPF, 120° phasing from 5642-5810' (148 holes). RD wireline company.
5. RIH w/treating pkr and set at 5546'. RU acid company. Acidize Blinebry perfs 5642-5810' with 3700 gals of 15% Ferchek acid. RD acid company. RU swab. Swab well.
6. Rel pkr. RIH and rel RBP at 6000'. POOH w/RBP and pkr. RU testers. RIH w/pkr, set at 5450'. Pressure test, OK. RD testers.
7. RU stimulation company. Sand fracture Blinebry from 5642-5810' with 125,000 gals of 20# cross-linked gel and 305,000 pounds of 16/30 white sand. RD stimulation company.
8. RU log company and gauge ring. Tag sand at 6054'. Logged well from 6000-5200'. RD log company.
9. Rel pkr and POOH. Change pipe rams. RIH w/pkr and set at 5550'. RU swab. Swab well.
10. Rel pkr and 5550' and POOH. RU and RIH w/RBP w/ball catcher. Set RBP at 5635'. Set pkr at 5600'. Load and test, OK. POOH w/pkr.
11. RU wireline company. Perforate Upper Blinebry w/2 JSPF, 120° phasing from 5456-5610' (190 holes). RD wireline company. PU and RIH w/pkr and set at 5413'. Load and test, OK. RU and swab well. Flowed well to test tank.
12. RU acid company. Acidize Upper Blinebry 5456-5610' with 4500 gals of 15% Ferchek. RD acid company. RU and swab well. Flowed well to test tank.
13. Rel pkr and kill well. RIH and rel RBP at 5635'. POOH w/pkr and RBP.
14. RIH w/production tbg to 5940'. ND BOP. Set TAC at 5105'. SN at 5918'. NU wellhead. RIH w/rods and pump. Space out pump. Hang well on pump. RD pulling unit. Turn well to production.

MARK OWEN
 FIELD :
 COUNTY: LEA
 OPERATOR: MARATHON OIL COMPANY
 STATE : NM
 WELL NO.4

OIL - DEFAULT
 Ref = 01/94
 Cum = 230.730
 Rem = 25.273
 EUR = 256.003
 Yrs = 9.750
 Qi = 303.1
 De = 7.012
 n = .000
 Gab = 149.9
 GAS * - DEFAULT
 Ref = 01/94
 Cum = 2263.200
 Rem = 824.267
 EUR = 3087.467
 Yrs = 9.583
 Qi = 7826.5
 De = 1.684
 n = .000
 Gab = 6659.9



MARK OWEN WELL NO. 4
API NO. 30025070400002
FIELD
LEA COUNTY , NM

DATE: 11/04/97
TIME: 14:33:14
PAGE: 1
POLLARD.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 |
| 6/97 | 236 | 7380 |
| 7/97 | 234 | 7370 |
| 8/97 | 233 | 7359 |
| 9/97 | 231 | 7349 |
| 10/97 | 230 | 7338 |
| 11/97 | 229 | 7328 |
| 12/97 | 227 | 7318 |
| YTD/97 | 1620 | 51442 |
| 1/98 | 226 | 7307 |
| 2/98 | 225 | 7297 |
| 3/98 | 223 | 7287 |
| 4/98 | 222 | 7276 |
| 5/98 | 220 | 7266 |
| 6/98 | 219 | 7256 |
| 7/98 | 218 | 7246 |
| 8/98 | 217 | 7235 |
| 9/98 | 215 | 7225 |
| 10/98 | 214 | 7215 |
| 11/98 | 213 | 7205 |
| 12/98 | 211 | 7194 |
| TOT/98 | 2623 | 87009 |
| 1/99 | 210 | 7184 |
| 2/99 | 209 | 7174 |
| 3/99 | 208 | 7164 |
| 4/99 | 206 | 7154 |
| 5/99 | 205 | 7144 |
| 6/99 | 204 | 7134 |
| 7/99 | 203 | 7123 |
| 8/99 | 201 | 7113 |
| 9/99 | 200 | 7103 |
| 10/99 | 199 | 7093 |
| 11/99 | 198 | 7083 |
| 12/99 | 197 | 7073 |
| TOT/99 | 2439 | 85544 |
| TOTAL | 6681 | 223994 |

MARK OWEN WELL NO. 4
API NO. 30025070400002
FIELD
LEA COUNTY , NM

DATE: 11/04/97
TIME: 14:33:17
PAGE: 2
POLLARD.DBS

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

| DATE | OIL / COND | GAS |
|--------|------------|--------|
| PRIOR | 6681 | 223994 |
| 1/00 | 195 | 7063 |
| 2/00 | 194 | 7053 |
| 3/00 | 193 | 7043 |
| 4/00 | 192 | 7033 |
| 5/00 | 191 | 7023 |
| 6/00 | 190 | 7013 |
| 7/00 | 188 | 7004 |
| 8/00 | 187 | 6994 |
| 9/00 | 186 | 6984 |
| 10/00 | 185 | 6974 |
| 11/00 | 184 | 6964 |
| 12/00 | 183 | 6954 |
| TOT/00 | 2268 | 84103 |
| 1/01 | 182 | 6944 |
| 2/01 | 181 | 6934 |
| 3/01 | 179 | 6925 |
| 4/01 | 178 | 6915 |
| 5/01 | 177 | 6905 |
| 6/01 | 176 | 6895 |
| 7/01 | 175 | 6886 |
| 8/01 | 174 | 6876 |
| 9/01 | 173 | 6866 |
| 10/01 | 172 | 6856 |
| 11/01 | 171 | 6847 |
| 12/01 | 170 | 6837 |
| TOT/01 | 2109 | 82687 |
| 1/02 | 169 | 6827 |
| 2/02 | 168 | 6818 |
| 3/02 | 167 | 6808 |
| 4/02 | 166 | 6798 |
| 5/02 | 165 | 6789 |
| 6/02 | 164 | 6779 |
| 7/02 | 163 | 6770 |
| 8/02 | 162 | 6760 |
| 9/02 | 161 | 6751 |
| 10/02 | 160 | 6741 |
| 11/02 | 159 | 6731 |
| 12/02 | 158 | 6722 |
| TOT/02 | 1961 | 81294 |
| TOTAL | 13019 | 472078 |

MARK OWEN WELL NO. 4
API NO. 30025070400002
FIELD
LEA COUNTY , NM

DATE: 11/04/97
TIME: 14:33:21
PAGE: 3
POLLARD.DBS

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

| DATE | OIL / COND | GAS |
|--------|------------|--------|
| PRIOR | 13019 | 472078 |
| 1/03 | 157 | 6712 |
| 2/03 | 156 | 6703 |
| 3/03 | 155 | 6693 |
| 4/03 | 154 | 6684 |
| 5/03 | 153 | 6675 |
| 6/03 | 152 | 6665 |
| 7/03 | 151 | 6656 |
| 8/03 | 151 | 0 |
| 9/03 | 150 | 0 |
| 10/03 | 0 | 0 |
| 11/03 | 0 | 0 |
| 12/03 | 0 | 0 |
| TOT/03 | 1380 | 46788 |
| 1/04 | 0 | 0 |
| 2/04 | 0 | 0 |
| 3/04 | 0 | 0 |
| 4/04 | 0 | 0 |
| 5/04 | 0 | 0 |
| 6/04 | 0 | 0 |
| 7/04 | 0 | 0 |
| 8/04 | 0 | 0 |
| 9/04 | 0 | 0 |
| 10/04 | 0 | 0 |
| 11/04 | 0 | 0 |
| 12/04 | 0 | 0 |
| TOT/04 | 0 | 0 |
| 1/05 | 0 | 0 |
| 2/05 | 0 | 0 |
| 3/05 | 0 | 0 |
| 4/05 | 0 | 0 |
| 5/05 | 0 | 0 |
| 6/05 | 0 | 0 |
| 7/05 | 0 | 0 |
| 8/05 | 0 | 0 |
| 9/05 | 0 | 0 |
| 10/05 | 0 | 0 |
| 11/05 | 0 | 0 |
| 12/05 | 0 | 0 |
| TOT/05 | 0 | 0 |
| TOTAL | 14398 | 518866 |