District I PO Box 1980, Hobbs, NM 88241-1980 Distric: II 811 S. 1st Street, Artesia, NM 88210-2834 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Wextco

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Form C-101 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

X AMENDED REPORT

APPLI	CATION	FOR P	ERMIT 1	TO DR	ILL, RE-EI	NTE	R, DEI	EPEN,	PLUGBACI	K, OR A	DD .	A ZONE	
		1 Ope	rator name an	d Address						2	OGR	ID Number	
Marathon Oi	l Company	7									1	4021	
P.O. Box 552											³ API Number		
Midland	Tx. 7	9702		· · · · · · · · · · · · · · · · · · ·						30-0	25-0	06599	
	perty Code				5	Proper	ty Name				6	Well No. # 8	
6	482						ARLICK			· .		# 8	
⁷ Surface Location								.					
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from t	the	North/South Line		Feet from the	East/West	East/West line County		
" I "	_15	21-S	<u>37-E</u>		1650	י (SOUTH 99		EAST	EAST LEA		
		8	Proposed	Bottom	Hole Locati	ion If	Differe	ent Fror	n Surface				
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from	the	North/Se	outh Line	Feet from the	East/West	line	County	
		9 Proposed	Pool 1						10 Proposed P	ool 2			
	PENE	OSE SKEL	LY GRAYBUE	х с									
									·				
11 Work T	ype Code	12	Well Type C	Code	¹³ Cable	/Rotary ¹⁴ Lease Type Coo			ise Type Code	¹⁵ Ground Level Elevation			
ADE	ZONE		OIL					FEE		3416			
16 Mu	ltiple	1	7 Proposed Depth		18 Form	nation		19	Contractor	. 2	20 Spud Date		
			7520		GRAV	YBURG							
L		<u> </u>	, 510	²¹ Prope	osed Casing		Cement	t Progra	m				
Hole S		Casi	ng Size	1	g weight/foot	1	Setting De	· · · · · · · · · · · · · · · · · · ·	Sacks of Cerne	nt	Eati		
		· · · ·		Casin				pun				mated TOC	
SURF#			<u>-3/8</u>		<u>48#</u> 32#	2803			300		S	URFACE	
			- <u>5/8</u>	17#		7570'		<u>1500</u> 800		<u>495'</u> 2875			
PRODUC	PRODUCTION 5-1/2		· · ·	<u>/#</u>				800			28/5		
		-											
 ²²Describe 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 PROPOSE TO ABANDON ABO PERFS, SET CIBP @ 6790'. ABANDON BLINEBRY PERFS, SET CIBP@ 5450'. PERFORATE GRAYBURG AND STIMULATE AS PER ATTACHED RECOMPLETION PROCEDURE INDICATES. 													
* CASING CEMENTED IN PLACE. Permit Expires 1 Year From Approval Date Unless Drilling Underway Adding													
of my knowledge	23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief.						OIL CONSERVATION DIVISION						
Signature:	Signature: Juny Flether							Approved by: ORIGINAL STRUCTURE EASTMELIAMS					
Printed name:	JERRY FLE	ICHER				Title:				SUPERVIS	਼ਸ		
Title: I	Title: DRILLING ENG. TECH.						Approval Data DR 25 2000 Expiration Date:						

District I PO Bux 1580, Hdbbs, NM 88241-1980 District II 811 S. 1st Street, Artesia, NM 88210-2834 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV PO Box 2088, Santa Fe, NM 87504-2088

Energy, Minerals & Natural Resources Department

UIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

Revised February 10, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

X AMENDED REPORT

		WELL	LOCA	TION	AND AC	CREA	GE DEDICA	TION PLA	Т		
API Number ² Pool Code					³ Pool Name						
30-025-06599 Property Code				50350 Penrose-Skelly ⁵ Property Name					y bur	9	
⁴ Property Code			.		^э Рто 1 ^и ан	perty Nar	ne		V • Well Number # 8		
<u> </u>	No.	<u> </u>	G. Wa	r/c	^{эрго} <u>К "С"</u> ⁸ Орг	rator Nat	ne				Elevation
14021											
1402(Marathon Oil Company ¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot. Id			North/South Line	Feet from the	East/W	est line/	County
$\mathcal{I}^{''}$	15	21-5	37-E		165	0'	South	990'	Ea	st	Lea
			¹¹ Bo	ottom H	lole Location	If Diffe	rent From Surfa	ce			
UL or lot no.	Section	Township	Range	Lot. Id	in Feet fro	m the	North/South Line	Feet from the	East/V	Vest line	County
¹² Dedicated Acre	S Dioin	or Infill ¹⁴ C	onsolidation		15 Order No.		L		1		
40											
	WABLE W						JNTIL ALL INT			N CON	SOLIDATED
		OR A NO	ONSTA	NDAR	D UNIT HA	S BEEN	APPROVED B	Y THE DIVISI	ON		
								11			ICATION
											on contained herein is hnowledge and belief.
	-										
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								<u>L</u>	M	ANU	1
									0		
								R.J. A	ong	mire	
							to Acre	_ Orilling	r Su	<u>erint</u>	tendent
						P	unit	Title 4-10-	00 '		
						1	7	Date			
	······			$\left[\right]$	(///		LXL	¹⁸ SURV	'EYOR	CERTI	FICATION
				K			/////	I hereby certify was plotted from	that the m field	well location	tion shown on this pla actual surveys made b
							\sim ////	MILLER AN INTALL I	пу зирегні	sion, and	that the same is tri
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				Ĺ			1.000	Signature and Scal	of Professi	onal Surveye	ir.
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		1		144	<u> </u>	1/	111	Certificate Numb	er		



Recompletion Procedure

L.G. Warlick "C" #8

1650' FSL, 990' FEL Section 15, T21S & R37E, U/L "I" Penrose-Skelly (Grayburg) Field Lea County, New Mexico API # 30-025-06599-0000

Date:	March 29, 2000										
Purpose:	Complete SI well in Grayburg										
	AFE #301800	Cost:	\$130,000		Est Time:	10 Days					
	Before Payout:	WI:	100.000 %		NRI:	87.5000 %					
	After Payout:	WI:	70.5078 %		NRI:	61.6943 %					
Perforations:	<u>Ellenberger</u>	<u>Ellenberger</u> 7546-7554', 7560-7568 (4 SPF) 7570-7626' OH									
<u>Connell</u> 7368, 81, 84, 95, 7402, 15, 20, 28, 46, 52, 58, 70 (25 Holes @ 2SPF)											
	<u>Abo</u> 6848, 59, 66, 71, 77, 6910, 16, 25, 28, 31, 40, 43, 47, 61, 68, 75, 86, 97 30, 35, 57, 62, 65, 94, 97, 7104, 15, 25, 53, 57, 74, 80, 93, 97, 7203, 7233, 38, 46, 55 (42 Holes @ 1SPF)										
	Blinebry	5546-5699', 64,	75, 98 1 JSPF								
Elevation:	TD: 7,626'	PBTD: 7,520' <i>0</i> 136 ² 73	KB: 3,427'	GL: 3,41	6'						
Surface Casing	: 13 3/8" 48# H-4	0 ST&C set @ 31	6 ft. Cement w/3	00 sx Portland	. Circulated u	nknown amt to surf.					
Intermediate:	8 5/8" 32# J-55 sx Portland neat	8 5/8" 32# J-55 LTC set @ 2803 ft. Cement w/1300 sx Portland + 4% Gel as lead followed by 200 sx Portland neat as tail. <u>Did not circulate</u> . Est TOC @ 495' based upon temp log.									
Production:	5 1/2" 17# J-55 2,875 ft based u	55 set @ 7,570'. Cemented w/ 800 sx Portland + 4% Gel. <u>Did not circulate</u> . Est TOC d upon temp log. (18ft inside intermediate)									
	Casing 5 ½"	<u>Grade & Wt</u> J-55 17.0#	<u>. <u>I.D.</u> 4.892"</u>	<u>Drift I.D.</u> 4.767"	<u>Burst</u> 5,320 psi	<u>Collapse</u> 4,910 psi					
	Tubing	Grade & Wi	. I.D.	<u>Drift I.D.</u>	<u>Burst</u>	Collapse					

Tubing Grade & Wt. 2 3/8" J-55 4.7# 2 7/8" L-80 6.5#	<u>I.D.</u>	<u>Drift I.D.</u>	<u>Burst</u>	<u>Collapse</u>
	1.995"	1.901"	7,700 psi	8,100 psi
	2.441"	2.347"	10,570 psi	11,160 psi

Wellhead: Unknown

Safety: Run killstring when needed, Install H2S monitoring alarm and rescue equipment.

PROCEDURE:

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- 1. Notify Hobbs personnel of impending workover.
- 2. Inspect surface location and improve if necessary. Test mast anchors to 22,500 lbs.
- 3. MIRU PU. Kill well as needed. POOH w/ rods & pump laying down. (Have rods inspected, replace as needed to obtain 3,900 usable feet)
- 4. ND Wellhead.
- 5. Install 7 1/16" 3M BOP stack w/ 2 3/8" pipe rams on top and blind rams on bottom. Install (2) 2 1/16" 3M gate valves on BOP outlets below the blind rams. Pressure test BOP equipment to 2,000 psi as per MCR Drilling Department's specifications.



L.G. Warlick "C" #8 Recompletion Procedure (Continued)

- 6. TOOH w/ 2 3/8" production tbg, laying down. (Have 2 3/8" tbg inspected, replace as needed to obtain 3,900 usable feet). Load hole w/ KCl water.
- 7. Flange full opening valve to top of the BOPE. MIRU Halliburton Wireline w/ pack-off. RIH w/ "TMD" type CNL/GR. Log from the base of the Paddock @ 5,250 ft to the top of the Grayburg @ 3,650 ft. Have results sent immediately to Midland for processing and perforation selection. RDMO Halliburton
- 8. MIRU Wedge w/ packoff. RIH w/ 5 ½" 17# Gauge Ring to approximately 6,800 ft. Set 5 ½" 17# CIBP above the Abo @ 6,790'. Dump bail 3 sx of cement on top of CIBP. Test plug & casing to 500 psi. Set 5 ½" CIBP @ 5,450 ft. Dump 2 sx of sand on plug. RDMO Wedge
- 9. Change out pipe rams to 2 7/8" and trip in hole w/ 5 ½" 17# packer on 2 7/8" 6.5# L-80 rental string. Drop SV & test tubing to 1,000 psi, fish SV. Test CIBP located @ ± 5,450' to 1,000 psi.
- 10. PU to ± 3,850'. MIRU acid co, pickle tubing w/ 300 gals 15% Nefe acid. Spot 250 gals 15% Nefe across Grayburg from 3,600 to 3,850'. TOOH w/ tbg & pkr.
- 11. MIRU Wedge w/ full lubricator. Test lubricator to 1,000 psi. Correlate depth w/ Halliburton "TMD" GR/CNL. Perforate the Grayburg from the top down based upon the perforations picked by Midland. All shots w/ 23 gram charges @ 2 SPF & 120° phasing. RDMO Wedge
- MIRU Hydrotesters. Test in hole w/ 5 ½" 17# packer on 2 7/8" workstring to 7,500 psi. Set packer at ± 3,650'. Load backside & test to ± 500 psi. RDMO Hydrotesters
- 13. MIRU acid co. Breakdown perfs w/ 3,000 gals of 15% HCl w/ additives at 4 6 bpm. Drop 140 7/8" 1.3 SG ballsealers evenly for diversion. Surge balls and flow/swab back load, report entry & cut to Midland.
- 14. Release packer and run past bottom perforation at \pm 3,850' to knock any remaining ballsealers off of the perforations. PU to \pm 3,650 and set packer.
- 15. Spot and visually inspect (2) clean manifolded frac tanks. Add biocide prior to filling w/ 850 bbls 2% KCl water.
- 16. MIRU Halliburton. Prepare to fracture stimulate the Grayburg w/ 28,500 gals Delta-Frac 20 carrying 750 sacks of 16/30 Ottawa sand. The treatment is designed to be pumped at 18 bpm w/ an estimated surface treating pressure of ± 5,000 psi. The proposed pumping schedule and material requirements are as follows:

Stage	Fluid	Volume (gals)	Conc. (lbs/gal)	Amount (lbs)	Proppant	Rate (bpm)	Press (psi)
Pad	Delta-Frac	11,000				18	4,157
Prop-laden	Delta-Frac	1,000	1	1,000	16/30 Ottawa	18	4,252
Prop-laden	Delta-Frac	1,500	2	3,000	16/30 Ottawa	18	4,355
	Delta-Frac	2,000	3	6,000	16/30 Ottawa	18	4,468
Prop-laden	Delta-Frac	4,000	4	16,000	16/30 Ottawa	18	4,587
Prop-laden			5	25,000	16/30 Ottawa	18	4,713
Prop-laden	Delta-Frac	5,000			16/30 Ottawa	18	4,789
Prop-laden	Delta-Frac	4,000	6	24,000	10/30 Ollawa	18	4,157
Flush	Linear Gel	900				10	-,157
		29,400		75,000			

Frac Fluid:

Delta-Frac 140 35,700 gals

Containing Per 1,000 gals								
5.00	gpt	LGC-IV	Gellant					
167.	ppt	KCl	Provided by MOC					
1.00	gpt	Lo-Surf 300	Non-emulsifier					
1.50	gpt	BC-140	Crosslinker/Buffer					
0.50	ppt	GBW-30	Breaker					
0.25	ppt	Opti-Flo HTE	Breaker					
0.30	ppt	BE-5	Biocide					

Proppant:

16/30 Ottawa

17. Once the main treatment has been flushed, obtain an ISIP then immediately initiate flowback at ± 2 bpm via a Guardian choke manifold to an open topped flowback tank. Flow well until it dies, or closure is reached. SION. RDMO alliburton

75,000 lbs

18. MIRU Slickline co. Tag sand fill w/ 1¹/₄" sinker bar. If an insufficient amount of rathole is available for optimal placement of production equipment then cleanout to PBTD, else proceed as follows.

L.G. Warlick "C" #8 Recompletion Procedure (Continued)

- 19. Swab back frac load to determine entry & cut. Report results to Midland.
- 20. Release packer and TOOH w/ workstring laying down.
- 19. Change out pipe rams to 2 3/8" and TIH w/ production tubing. Space out tubing such that the SN is located at approximately 3,900 ft.
- 20. ND BOPE & NU Wellhead. RIH w/ rod string & pump. Space out plunger and hang well on. Test for pump action. Connect surface equipment.
- 21. Turn well over to Hobbs for extended production testing.

Approvals:

D.P. Nordt Permian Basin Engineering Supervisor

Distr:

M. Wiskofske A. Schwandt T. Kacir D. Arnst T. Hallum K. Cook B. Longmire W. Tank Well File