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-0032

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) 687-8325

II. Name of Well: Walter Lynch No. 5 API #: 3002509950

Location of Well: Unit Letter C, 660 Feet from the N line and 1980 feet from the W line,
Section 1, Township 22-S, Range 37-E, NMPM, Lea County

III. Date Workover Procedures Commenced: April 25, 1996
Date Workover Procedures were Completed: May 10, 1996

IV. Attach a description of the Workover Procedures undertaken to increase the projection 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 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)

Senior Government Compliance Representative
(Title)

SUBSCRIBED AND SWORN TO before me this 29th day of May, 1993.

Lue Turley
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 5/10, 1996.

District Supervisor, District 1
Oil Conservation Division

Date: 7/2/96

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

WALTER LYNCH NO. 5
DESCRIPTION OF WORKOVER PROCEDURE
(4-25-96 - 5-10-96)

1. Killed well, removed production equipment, installed BOP's.

2. POOH with tubing, ran RTTS to 5300'. Loaded annulus and tested casing, squeezed Paddock perfs 5168'-5230' to 500 psi for 20 minutes, held OK.

3. Ran GR-CCL log from 6295'-5300'.

4. Ran and set 5-1/2" CIBP at 6260' (Drinkard perfs 6348'-6440').

5. Selectively perforated Blinebry formation from 5594'-5850' with 234 holes.

6. RIH with packer and tubing to 5500' and acidized Blinebry with 6500 gallons 15% Hcl acid.

7. RU swab unit, swabbed well dry.

8. POOH with packer, selectively perforated Blinebry 5434'-5544', 2 SPF, 122 holes.

9. RIH with packer and retrievable bridge plug set RBP at 5580', packer at 5314'.

10. Acidized Blinebry with 3100 gallons 15% Hcl.

11. Swab back load.

12. Released packer and RBP, POOH.

13. Changed out BOP rams and ran 3-1/2" frac tubing with 5-1/2" RTTS packer. Set packer at 5391'.

14. Sand frac Blinebry with 272,000 lbs. of sand.

15. Released packer, laid down 3-1/2" workstring, changed rams, and ran 2-3/8" tubing and 5-1/2" RTTS, set packer at 5285'.

16. Swabbed well dry. Tested well.

17. Released packer, POOH. RIH with kill string. RIH with bulldog bailer and cleared sand from 5797' to 6237'.

18. Ran production tubing and rod pump.

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WALTER LYNCH NO. 5
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 1992
End of history match:	January 1996
Projected method:	Exponential decline, automatic fit
Bad data removed:	None

Oil

Start of history match:	December 1992
End of history match:	January 1996
Projection method:	Exponential decline, automatic fit
Bad data removed:	None

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