

H-0073

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: South Eunice Seven Rivers API #: 3002529341
Unit Well No. 436

Location of Well: Unit Letter I, 2475 Feet from the S line and 330 feet from the E line,
 Section 35, Township 22-S Range 36-E, NMPM, Lea County

III. Date Workover Procedures Commenced: May 23, 1996

Date Workover Procedures were Completed: May 25, 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: Seven Rivers - Queen

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 8th day of July, 19 96.

Luc Kirby
Notary Public

My Commission expires: 8-6-96

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 5-25, 19 96.

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

Date: 7/24/96

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

SOUTH EUNICE SEVEN RIVERS QUEEN UNIT WELL NO. 436

WORKOVER 5/23/96 - 5/25/96

Purpose: Restore production to an inactive well by bailing sand fill and installing rods and pump. Production in early 1994 disqualified this well for a production restoration severance tax reduction.

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28-JUN-96
21:47:03

MARATHON OIL COMPANY
HISTORY OF OIL OR GAS WELL
FROM:23-MAY-96 TO:27-JUN-96 FIELD:EUNICE SOUTH
WELL:SO. EUNICE SEVEN RIVERS-NO.436

PAGE 1

AFE 654896
SE7RQU #436 REACTIVATE PRODUCR

23-MAY-96 MIRU Pride Well Service. ND wellhead and installed BOPE. PU 5-1/2" bit, bailer and RIH on 2-7/8" tubing and tagged fill at 3740'. Wireline indicated fill at 3735' with a static pressure of 590 psi at TD. Bailed sand to PBTD of 3795'. SOOH with bailer. Secured well and SDFN.

Current Operations: FOOH, RIH w/ PC Pump.

Daily Load: 0 BW Total Recovery: 0 BW

24-MAY-96 FOOH with tubing, bailer and bit. Emptied bailer of sand. PU and RIH with 2-7/8" mud joint, No-Turn tool, PC stator, 3-1/2" x 10' sub and 115 joints of 2-7/8" tubing. ND BOPE and set No-Turn Tool. NU wellhead. PU rotor and RIH on 7/8" grade D steel rods, installing twist on rod guides. Spaced out rotor and installed drivehead. Connected drivehead to panel and set frac tank. Started PC pump testing to frac tank.

Current Operations: Rig down. Test well.

Daily Load: 10 BW Total Recovery: 0 BW

25-MAY-96 Well pumped 18 BO and 350 BW. RD Pride Well Service. Repaired flowline leak and switched out of frac tank at 3:00 pm MST.

Current Operations: Testing Well.

Total Load: 10 BW Total Recovery: 18 BO & 350 BW.

Total Cost: \$47,518 AFE Cost Est: \$41,500

04-JUN-96 May-26: Well pumped 36 BO, 2 MCFG and 232 BW in 24 hours.

May-27: Well pumped 22 BO, 2 MCFG and 198 BW in 24 hours.

May-28: Well pumped 23 BO, 2 MCFG and 172 BW in 24 hours.

May-29: Well pumped 23 BO, 2 MCFG and 209 BW in 24 hours.

May-30: Well pumped 22 BO, 2 MCFG and 194 BW in 24 hours.

May-31: Well pumped 22 BO, 2 MCFG and 194 BW in 24 hours.

**EUNICE SEVEN RIVERS QUEEN UNIT NO. 436
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 1985
End of history match:	August 1994
Projected method:	Automatic fit using exponential
Bad data removed:	None

Oil

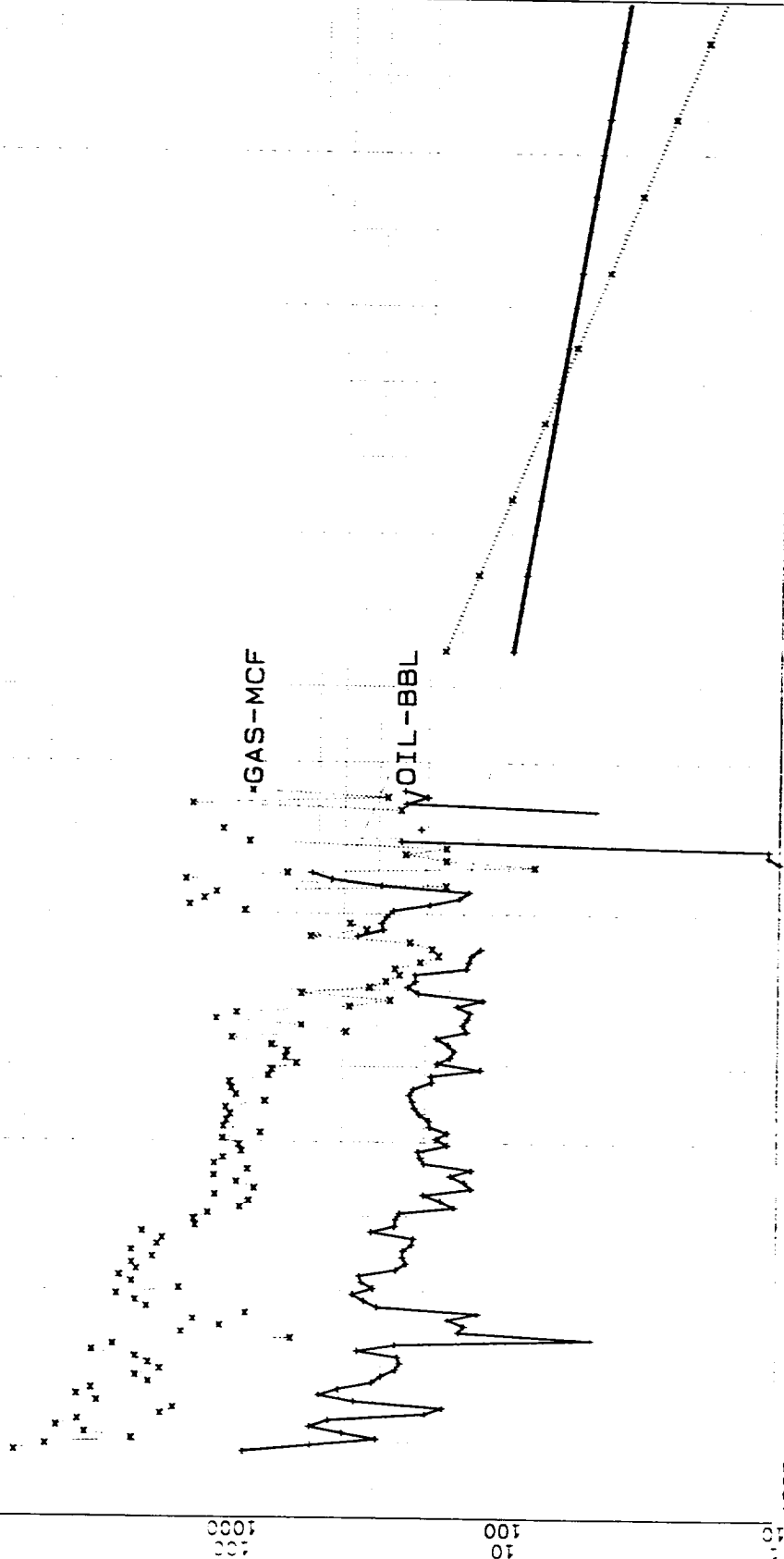
Start of history match:	December 1985
End of history match:	August 1994
Projection method:	Automatic fit using exponential
Bad data removed:	None

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10000
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10

SOUTH EUNICE SEVEN RIVERS QUEEN UNITWELL NO.436
FIELD : EUNICE SOUTH
COUNTY: LEA
OPERATOR: MARATHON OIL COMPANY STATE : NM

10000
1000
100
10



1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004
DATE

OIL		Gal-DEFAULT
Ref-	06/96	
Cum-	25.718	
Rem-	7.551	
EUR-	33.269	
Yrs-	10.917	
Q1-	98.9	
De-	10.367	
N-	.000	
Qab-	30.0	

GAS		Gal-DEFAULT
Ref-	06/96	
Cum-	14.589	
Rem-	14.739	
EUR-	15.328	
Yrs-	10.917	
Q1-	17.7	
De-	23.867	
N-	.000	
Qab-	.9	

SOUTH EUNICE SEVEN RIVERS QUEEN UNIT WELL NO. 436
 API NO. 30025293410000
 EUNICE SOUTH FIELD
 LEA COUNTY , NM

DATE: 07/05/96
 TIME: 13:36:36
 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
6/96	98	18
7/96	98	17
8/96	97	17
9/96	96	16
10/96	95	16
11/96	94	16
12/96	93	15
YTD/96	670	115
1/97	92	15
2/97	91	15
3/97	91	14
4/97	90	14
5/97	89	14
6/97	88	13
7/97	87	13
8/97	87	13
9/97	86	12
10/97	85	12
11/97	84	12
12/97	84	12
TOT/97	1054	159
1/98	83	11
2/98	82	11
3/98	81	11
4/98	81	11
5/98	80	10
6/98	79	10
7/98	78	10
8/98	78	10
9/98	77	9
10/98	76	9
11/98	76	9
12/98	75	9
TOT/98	945	121
TOTAL	2670	394

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EUNICE SOUTH FIELD
LEA COUNTY , NM

DATE: 07/05/96
TIME: 13:36:37
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	2670	394
1/99	74	9
2/99	74	8
3/99	73	8
4/99	72	8
5/99	72	8
6/99	71	8
7/99	70	8
8/99	70	7
9/99	69	7
10/99	68	7
11/99	68	7
12/99	67	7
TOT/99	847	92
1/00	66	7
2/00	66	6
3/00	65	6
4/00	65	6
5/00	64	6
6/00	64	6
7/00	63	6
8/00	62	6
9/00	62	5
10/00	61	5
11/00	61	5
12/00	60	5
TOT/00	759	70
1/01	60	5
2/01	59	5
3/01	59	5
4/01	58	5
5/01	57	5
6/01	57	4
7/01	56	4
8/01	56	4
9/01	55	4
10/01	55	4
11/01	54	4
12/01	54	4
TOT/01	681	53
TOTAL	4956	609

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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	4956	609
1/02	53	4
2/02	53	4
3/02	52	4
4/02	52	4
5/02	52	3
6/02	51	3
7/02	51	3
8/02	50	3
9/02	50	3
10/02	49	3
11/02	49	3
12/02	48	3
TOT/02	610	41
1/03	48	3
2/03	47	3
3/03	47	3
4/03	47	3
5/03	46	3
6/03	46	3
7/03	45	3
8/03	45	2
9/03	45	2
10/03	44	2
11/03	44	2
12/03	43	2
TOT/03	547	31
1/04	43	2
2/04	43	2
3/04	42	2
4/04	42	2
5/04	41	2
6/04	41	2
7/04	41	2
8/04	40	2
9/04	40	2
10/04	40	2
11/04	39	2
12/04	39	2
TOT/04	490	24
TOTAL	6603	704

SOUTH EUNICE SEVEN RIVERS QUEEN UNIT WELL NO. 436
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EUNICE SOUTH FIELD
LEA COUNTY , NM

DATE: 07/05/96
TIME: 13:36:38
PAGE: 4
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	6603	704
1/05	38	2
2/05	38	2
3/05	38	2
4/05	37	2
5/05	37	2
6/05	37	2
7/05	36	1
8/05	36	1
9/05	36	1
10/05	35	1
11/05	35	1
12/05	35	1
TOT/05	439	18
1/06	34	1
2/06	34	1
3/06	34	1
4/06	34	1
5/06	33	1
6/06	33	1
7/06	33	1
8/06	32	1
9/06	32	1
10/06	32	1
11/06	31	1
12/06	31	1
TOT/06	394	14
1/07	31	1
2/07	31	1
3/07	30	1
4/07	30	1
5/07	0	0
6/07	0	0
7/07	0	0
8/07	0	0
9/07	0	0
10/07	0	0
11/07	0	0
12/07	0	0
TOT/07	122	4
TOTAL	7558	739