Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

MMOCD

FORM APPROVED OMB NO. 1004-0135 Expires: November 30, 2000 Lease Serial No.

SUNDRY	NMNM07260 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. 8. Well Name and No.					
Do not use the abandoned we						
SUBMIT IN TRI						
I. Type of Well						
Oil Well Gas Well Other					INDIAN HILLS U	VIT 59
2. Name of Operator MARATHON OIL COMPANY	CHARLES E KENDRIX E-Mail: CEKENDRIX@MARATHONOIL.COM			9. API Well No. 30-015	- 33759	
3a. Address P O BOX 3487 HOUSTON, TX 77253		3b. Phone No. (include area code) Ph: 713-296-2096 Fx: 713-499-6750			10. Field and Pool, or UPPER PENN	Exploratory
4. Location of Well (Footage, Sec., 7	") RECEIVED			11. County or Parish, and State		
Sec 20 T21S R24E NENE Lot	DEC 1 7 2004			EDDY COUNTY, NM		
32.28072 N Lat, 104.30515 W		QUEARTESIA				
12. CHECK APPE	ROPRIATE BOX(ES) TO	O INDICATE 1	NATURE O	F NOTICE, RE	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION						
□ Notice of Intent	□ Acidize	□ Deepe	en en	Product	ion (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	☐ Fractu	ire Treat	□ Reclama	ation	☐ Well Integrity
Subsequent Report	Casing Repair	□ New 0	Construction	□ Recomp	lete	Other Drilling Operation
Final Abandonment Notice	☐ Change Plans	_	and Abandon	_	arily Abandon	Drining Operation
13. Describe Proposed or Completed Ope	☐ Convert to Injection	_		□ Water D		
testing has been completed. Final At determined that the site is ready for final Marathon Oil Company has convolved the second sec	inal inspection.) Impleted setting and test to details of well work	ing of surface o		-		and the operation has
14. I hereby certify that the foregoing is	Electronic Submission #	51943 verified to ON OIL COMPA	y the BLM V NY. sent to (Vell Information	System	
	imitted to AFMSS for proc	essing by ARM	NDO LOPEZ	Z on 12/16/2004 (
Name (Printed/Typed) CHARLES E KENDRIX			Title ENG	INEERING TEC	CHNICIAN	
Signature (Electronic S	ubmission)	1	Date 12/16	6/2004		
	THIS SPACE FO	OR FEDERAL	OR STAT	E OFFICE US		
Approved By ACCEPT	ED		ALEXIS TitlePETRO	C SWOBODA LEUM ENGINE	ER OCO	Date 12/16/2
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conduction of t	itable title to those rights in th	s not warrant or e subject lease	Office Carls	bad		
Fitle 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a	crime for any per	on knowingly	and willfully to ma	ike to any department or	agency of the United

Indian Hills Unit No. 59 Set and Test Surface Casing

12/01/2004 Drilled w/ air hammer to 61' lost complete returns w/ air at 58'. POOH w/ hammer. Dumped 10 yds Redi-Mix cement with 3% accelerator & 4 sks CaCl. Hole did not fill. Dumped 10 yds Redi-Mix w/ 3% accelerator & 4 sks CaCl. Tag top of cement w/ tag line @ 57'. WOC. RIH w/ hammer drilled 57' to 67'. Lost complete returns @ 66'. POOH w/ hammer. Dumped 10 yds Redi-Mix w/ 3% accelerator & 2 sks CaCl. Tagged top of cement w/ tag line @ 53'.

12/02/2004 Dumped 5 yards Redi-Mix cement w/ 3% accelerator & 2 sksCaCl. Tagged top of cement @ 54'. RIH attempted to establish circulation, failed. Tagged solid @ 57'. POOH w/ bit. Dumped 10 yards Redi-Mix cement w/ 3% accelerator & 3 sks CaCl. WOC. Dumped 2 yards Redi-Mix w/ 3% accelerator & 2 CaCl. Hole filled w/ cement. WOC. Drilled w/ air hammer to 77'. Lost returns. Drilled 77' to 117' w/ sporadic returns. POOH w/ hammer wait on cement to arrive.

12/03/2004 Dumped 10 yards Redi-Mix w/ 3% accelerator & 3 sks CaCl. Fluid level 50' from surface. Dumped 10 yards Redi-Mix w/ 3% accelerator & 3 sks CaCl. Fluid level 50' from surface. Dumped 10 yards Redi-Mix w/ 3% accelerator & 3 sks CaCl. Fluid level 50' from surface. Dumped 10 yards Redi-Mix w/ 3% accelerator & 3 sks CaCl. Fluid moved up into conductor pipe. WOC. RIH w/ hammer, drilled 77' to 88' lost complete returns @ 78'. POOH w/ hammer. Dumped 9 yds Redi-Mix w/ 3% accelerator & 3 sks CaCl. Conductor filled w/ cement to within 5' of window. WOC

12/04/2004 RIH w/ hammer drilled f/ 26' to 117'. Drilled w/ air f/ 117' to 154'. Lost returns and went on vacuum. Back ream hammer out of hole f/ 154' to 142'.

12/05/2004 Worked pipe free left hammer in the hole. Ran bit and reamer. Cleaned out hole to top of fish. Milling fishing neck on hammer.

12/06/2004 Milled on hammer. Made two trips to retrieve hammer. Recovered hammer left air bit in hole. Washing to bottom to locate fish.

12/07/2004 Fished parts to air bit and hammer. Tried to drill by bit and junk failed.

12/08/2004 RIH w/ mill shoe. Milled on fish @ 148'. Made approximately 6'. Trip for new shoe. Milled f/ 148' to 150' broke through and ran magnet.

12/09/2004 Cleaned junk out of hole w/ magnet. Dumped 7 yards Redi-Mix to stabilize hole. Drilled cement f/ 76' to 174'. Air drilled 174' to 228'.

12/10/2004 Air/ Mist drilled f/ 228' to 995'. Made short trip to 120'. Air/ Mist drilled 995' to 1211'.

12/11/2004 Air / Mist drilled f/ 1211' to 1526'. Hole torquing and dragging bad. Worked pipe out of hole. Found 2 pieces of bit sub missing. Bit was completely worn from drilling on junk. Running magnet.

12/12/2004 RIH w/ magnet to 1526'. No recovery. Ran drilling assembly. Air/ Mist drilled from 1526' to 1612'. Dropped wireline survey tool in hole. Tripping to recover wireline survey tool.

12/13/2004 Recovered survey tool. Air Mist drilled f/ 1612' to 1820'. RIH w/ 9 5/8" casing to 1820' in the following sequence top to bottom:

- 2 jts 9 5/8" 40# K-55 casing
- 36 jts 9 5/8" 36# K-55 casing
 - 1 9 5/8" float collar
 - 1 jt 9 5/8" 36# K-55 casing
 - 1 9 5/8" float collar
 - 1 9 5/8" Texas pattern shoe

Cemented surface casing w/ 10,000 scf nitrogen, 10 bbls fresh water, 20 bbls gel, 10 bbls fresh water, 900 sks foamed Premium Plus + 1.5% Zonesealant 2000 + 2 % CaCl, 150 sks Premium Plus + 2% CaCl. Dropped plug and displaced cement with 138 bbls water, bumped plug. No nitrogen or cement returns.

12/14/2004 Topped out with 300 sks foamed Premium Plus + 2% Zonesealant 2000 + 2% CaCl. Capped out w/ 75 sks Premium Plus + 15 #/sk Cal Seal + 2% CaCl. WOC

12/15/2004 Tripped in the hole w/ directional drilling assembly. Drilled float collar and cement to 1800'. Tested casing to 1000 psi.