

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other		5. Lease Serial No. NM06293	
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr., Other		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Marathon Oil Company		7. Unit or CA Agreement Name and No. 70964A INDIAN HILLS UNIT	
3. Address P.O. Box 552 Midland, TX 79702		8. Lease Name and Well No. INDIAN HILLS UNIT #49	
4. Location of Well (Report location clearly and in accordance with Federal requirements) At surface UL "A", 705' FNL & 855' FEL		9. API Well No. 30-015-32723	
At top prod. interval reported below UL "H", 1464' FNL & 746' FEL		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC.	
At total depth UL "H", 1594' FNL & 726' FEL		11. Sec., T., R., M., or Block and Survey or Area SECTION 28, T-21-S, R-24-E	
14. Date Spudded 4/27/03		12. County or Parish EDDY	
15. Date T.D. Reached 5/9/03		13. State NM	
16. Date Completed ☐ D & A ☒ Ready to Prod. 5/24/03		17. Elevations (DF, RKB, RT, GL)* GL-3649; KB-3666	
18. Total Depth: MD 8180 TVD 8090		20. Depth Bridge Plug Set: MD TVD	
19. Plug Back T.D.: MD 8155 TVD 8045		22. Was well cored? ☒ No ☐ Yes (Submit analysis) Was DST run ☒ No ☐ Yes (Submit report) Directional Survey? ☐ No ☒ Yes (Submit copy)	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) SPECTRAL DENSITY DUAL SPACED NEUTRON - DOWNLOG			

Hole Size	Size/Grade	Wt.(#ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.25	9.625K55	36	0	1814		1325		0	
8.75	7 K55	23/26	0	8178		1245			CIRC. 180 SX

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	8096	RBP-8096						

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) UPPER PENN	7518	TD	7526-7816			OPEN
B)						
C)						
D)						

Depth Interval	Amount and Type of Material
7526-7816	13,000 GALS 17% CCA SOUR ACID

ACCEPTED FOR RECORD

JUL 28 2003

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
5/24/03	7/12/03	24	→	416	308	1601			PUMPING
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
	300	200	→				740	PRODUCING	

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method

8b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

28c. Production-Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
CISCO	7518	7654	DOLOMITE CAPPED W/LIMESTONE	BONE SPRING LIME	5154
CANYON	7654	TD	DOLOMITE W/SHALE INTERBEDS	TUBB	6712
				WOLFCAMP	6851
				CISCO	7518
				CANYON	7654

32. Additional remarks (include plugging procedure):

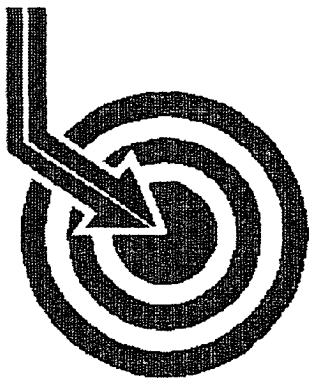
33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd) 2. Geologic Report 3. DST Report 4. Directional Survey
 5. Sundry Notice for plugging and cement verification 6. Core Analysis ⑦ Other *Inclination Survey*

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Ginny LarkeTitle Engineer TechnicianSignature *Ginny Larke*Date 7/24/03

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Scientific Drilling

MARATHON OIL COMPANY

Field: Indian Basin
Site: Eddy County, NM
Well: Indian Hills #49
Wellpath: VH - Job #32K0503211
Survey: 05/01/03

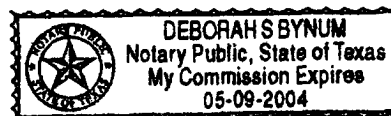
This survey is correct to the best of my knowledge
and is supported by actual field data.

Scott Moody Company Representative

Notorized this date 27th of May, 2003.

Deborah Sue Bynum

Notary Signature
County of Midland
State of Texas



Scientific Drilling Survey Report

Company: MARATHON OIL COMPANY Field: Indian Basin Site: Eddy County, NM Well: Indian Hills #49 Wellpath: VH - Job #32K0503211	Date: 5/27/2003 Time: 10:12:45 Page: 1 Co-ordinate(NE) Reference: Site: Eddy County, NM, True North Vertical (TVD) Reference: SITE 0.0 Section (VS) Reference: Well (0.00N,0.00E,171.99Azi) Survey Calculation Method: Minimum Curvature Db: Sybase
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Survey: 05/01/03 KSRG 0°-3330° Company: Scientific Drilling Tool: Keeper, Keeper Gyro	Start Date: 5/1/2003 Engineer: Cary Coffee Tied-to: From Surface
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Survey

MD ft	Incl deg	Azlm deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.0	0.00
100.0	0.16	240.10	100.0	0.1	-0.1	-0.1	0.16	0.1	240.10
200.0	0.16	240.04	200.0	0.2	-0.2	-0.4	0.00	0.4	240.08
300.0	0.03	180.97	300.0	0.2	-0.3	-0.5	0.15	0.6	237.79
400.0	0.01	52.83	400.0	0.3	-0.3	-0.5	0.04	0.6	235.67
500.0	0.18	307.11	500.0	0.1	-0.2	-0.6	0.18	0.6	249.13
600.0	0.22	71.40	600.0	0.0	-0.1	-0.5	0.35	0.5	262.39
700.0	0.37	78.06	700.0	-0.1	0.1	0.0	0.15	0.1	322.12
800.0	0.52	93.75	800.0	0.0	0.1	0.7	0.19	0.7	82.73
900.0	0.63	97.98	900.0	0.3	0.0	1.7	0.12	1.7	90.45
1000.0	0.52	92.34	1000.0	0.5	-0.1	2.7	0.12	2.7	92.28
1100.0	0.49	100.30	1100.0	0.7	-0.2	3.6	0.08	3.6	93.23
1200.0	0.58	119.06	1200.0	1.1	-0.5	4.5	0.20	4.5	96.72
1300.0	0.64	140.56	1300.0	1.9	-1.2	5.3	0.23	5.4	102.88
1400.0	0.67	157.08	1400.0	3.0	-2.2	5.8	0.19	6.2	110.40
1500.0	0.73	172.41	1500.0	4.2	-3.3	6.1	0.20	7.0	118.51
1600.0	0.80	161.02	1599.9	5.5	-4.6	6.5	0.17	7.9	125.63
1700.0	0.71	160.74	1699.9	6.8	-5.9	6.9	0.09	9.1	130.45
1800.0	0.42	137.44	1799.9	7.7	-6.7	7.3	0.36	10.0	132.51
1900.0	0.31	88.53	1899.9	8.0	-7.0	7.9	0.32	10.5	131.66
2000.0	0.27	314.42	1999.9	7.9	-6.8	8.0	0.53	10.5	130.59
2100.0	0.38	95.59	2099.9	7.8	-6.7	8.1	0.61	10.5	129.46
2200.0	0.44	139.40	2199.9	8.2	-7.0	8.7	0.31	11.2	128.85
2300.0	0.59	141.46	2299.9	8.9	-7.7	9.3	0.15	12.1	129.71
2400.0	0.38	148.88	2399.9	9.7	-8.4	9.8	0.22	12.9	130.67
2500.0	0.47	175.99	2499.9	10.4	-9.1	10.0	0.22	13.5	132.34
2600.0	0.77	217.62	2599.9	11.3	-10.0	9.6	0.52	13.9	136.26
2700.0	0.76	217.31	2699.9	12.2	-11.1	8.8	0.01	14.1	141.60
2800.0	0.86	217.79	2799.9	13.2	-12.2	7.9	0.10	14.6	147.01
2900.0	0.90	212.27	2899.9	14.3	-13.5	7.0	0.09	15.2	152.37
3000.0	1.00	214.28	2999.9	15.6	-14.9	6.1	0.11	16.1	157.54
3100.0	0.93	207.88	3099.9	16.9	-16.3	5.3	0.13	17.1	162.08
3200.0	1.20	208.55	3199.8	18.4	-17.9	4.4	0.27	18.5	166.25
3300.0	1.60	207.08	3299.8	20.3	-20.1	3.3	0.40	20.3	170.80
3330.0	1.46	200.16	3329.8	21.0	-20.8	2.9	0.77	21.0	171.99



**Scientific
Drilling**

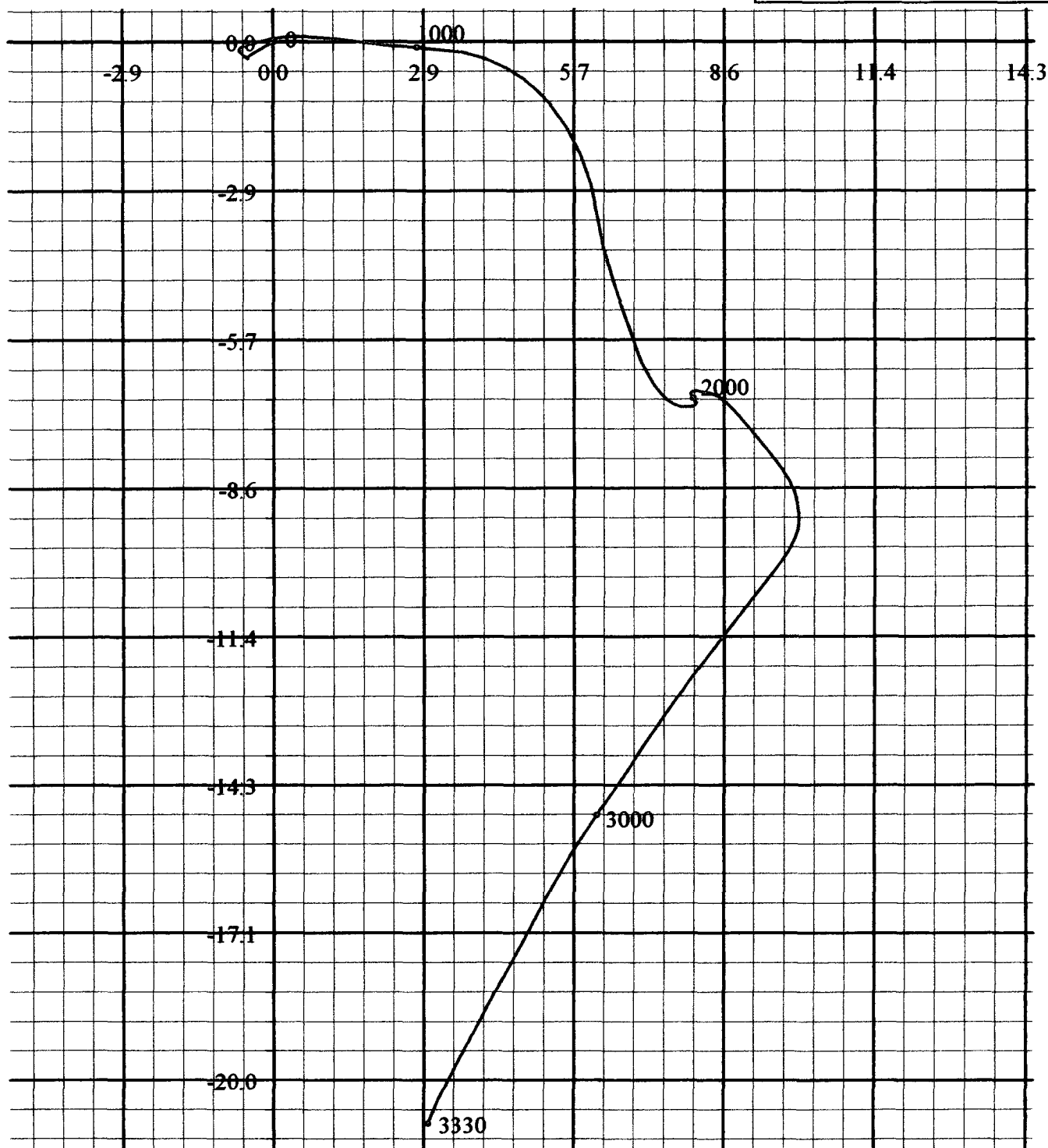
Field: Indian Basin
Site: Eddy County, NM
Well: Indian Hills #49
Wellpath: VH - Job #32K0503211
Survey: 05/01/03



Azimuths to True North
Magnetic North: -6.99°

Magnetic Field
Strength: 31348nT
Dip Angle: -28.58°
Date: 5/27/2003
Model: WMM_95

South(-)/North(+) [ft]



West(-)/East(+) [ft]

**McVAY DRILLING COMPANY**

Post Office Box 924
Hobbs, New Mexico 88241
(505) 397-3311
FAX: 39-DRILL

Well Name and Number: Indian Hills #49

Location: Sec. 28, T21S, R24E, Eddy County, NM

Operator: Marathon

Drilling Contractor: McVay Drilling Company

The undersigned certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>		<u>Degrees @ Depth</u>		<u>Degrees @ Depth</u>	
¾	218	12	4658	11.8	7315
½	645	11 ¼	4848	11.9	7822
½	1143	12	4976	10.7	8138
½	1490	12 ¼	5167		
¾	1871	12	5294		
¾	2315	12	5798		
1	2816	13	5983		
1 ¼	3260	12 ¼	6114		
2 ¾	3583	11 ½	6302		
4 ½	3774	11 ¼	6493		
10 ½	4026	12.5	6746		
11 ¼	4280	11.2	6935		
12	4531	9.2	7062		

Drilling Contractor: McVay Drilling Company

By: [Signature]

Subscribed and sworn to before me this 17th day of May, 2003

[Signature]
Notary Public

My Commission Expires: 8-16-05

Lea County, New Mexico