

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. 1004-0135  
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM 07260	
2. Name of Operator Marathon Oil Company		6. If Indian, Allottee or Tribe Name N/A	
3a. Address P.O. Box 552 Midland, TX 79702	3b. Phone No. (include area code) 432-687-8360	7. If Unit or CA/Agreement, Name and/or No. Indian Hills Unit	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL U.L. 2 Section 33, T-21-S, R-24-E 990' FNL & 1980' FEL Eddy Co. N.M. BHL UL. 1 Sec. 33, T-21-S, R-24-E 50' FNL & 975' FEL Eddy Co. N.M. PROPOSED		8. Well Name and No. # 9	
		9. API Well No. 30-015-28754	
		10. Field and Pool, or Exploratory Area Indian Basin U. P. Assoc,	
		11. County or Parish, State Eddy N.M.	

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>Horizontal</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	


13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Marathon Oil Company is proposing to Re-Enter the IHU # 9 drill a horizontal drain hole in the Indian Basin Upper Perm. Assoc. Gas Pool.

Marathon has received an approved NSL from the OCD Administrative Order NSL-4175-A (BHL) (SD).

The well will require a reserve pit which we will Re-Enter on the existing location.

Please find the attached NSL administrative order and directional plan for the well.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Jerry Fletcher	Title Engineer Tech.
	Date 9/12/03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (ORIG. SGD.) ALEXIS C. SWOBODA	Title PETROLEUM ENGINEER	Date SEP 17 2003
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

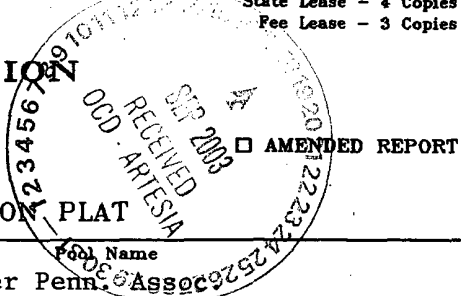
State of New Mexico  
Energy, Minerals and Natural Resources Department

ATTACHMENT # 1

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies



WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	33685	Indian Basin Upper Penn. Assoc.
Property Code	Property Name	Well Number
	INDIAN HILLS UNIT	9
OGRID No.	Operator Name	Elevation
14021	MARATHON OIL COMPANY	4121

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	33	21 S	24 E		990	NORTH	1980	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	33	21 S	24 E		50	NORTH	975	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320 N/2			Non-Standard Producing Area

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>LOT 4 LOT 3 LOT 2 LOT 1 LOT 5 LOT 6 LOT 7 LOT 8 LOT 12 LOT 11 LOT 10 LOT 9 LOT 13 LOT 14 LOT 15 LOT 16</p> <p>IHU # 22 BHL IHU # 22 SHL IHU # 12 IHU # 44 BHL IHU # 44 SHL</p> <p>42.16 AC. 42.38 AC. 42.59 AC. 42.8 AC. 42.29 AC. 42.51 AC. 42.72 AC. 42.94 AC. 42.42 AC. 42.64 AC. 42.85 AC. 43.07 AC. 42.55 AC. 42.77 AC. 42.98 AC. 43.26 AC.</p> <p>SEE DETAIL SHL BHL DETAIL</p> <p>1980' 4105.3' 4086.6' 4109.1' 4085.6'</p> <p>Standard Producing Area Project Area</p>				<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature Jerry Fletcher Printed Name Engineer Tech. Title August 13, 2003 Date</p>	
<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 27, 1995</p> <p>Date Surveyed Signature &amp; Seal of Professional Surveyor Professional Surveyor NEW MEXICO 10-03-95 SW.C. Num. 95-11-1471 Certificate No. JOHN B. WEST 676 RONALD G. EIDSON 3239 CARL EIDSON 12641</p>					



Jerry F.

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

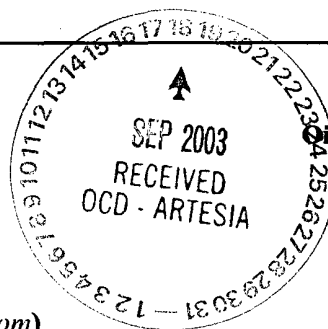
Cabinet Secretary

**Marathon Oil Company**

**P. O. Box 552**

**Midland, Texas 79702-0552**

**August 19, 2003**



**Lori Wrotenbery**

Director

**Oil Conservation Division**

**Attention: Steve Millican, ([SEMillican@MarathonOil.com](mailto:SEMillican@MarathonOil.com))**

***Administrative Order NSL-4175-A (BHL) (SD)***

Dear Mr. Millican:

Reference is made to the following: (i) your application filed with the New Mexico Oil Conservation Division ("Division") on August 14, 2003 (***administrative application reference No. pLR0-322640855***); and (ii) the Division's records in Santa Fe, including the file on Division Administrative Order NSL-4175 (SD): all concerning Marathon Oil Company's ("Marathon") request for an exception to Rule 2 (b) of the "*Special Rules and Regulations for the Indian Basin-Upper Pennsylvanian Associated Pool*", as promulgated by New Mexico Oil Conservation Division ("Division") Order Nos. R-9922, R-9922-A, R-9922-B, R-9922-C, R-9922-D, and R-9922-E and the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest New Mexico and Southeast New Mexico*," as promulgated by Division Order No. R-5353, as amended, for Marathon's existing Indian Hills Unit Well No. 9 (**API No. 30-015-28754**) to be recompleted with a horizontal drainhole within an existing standard 340.40-acre spacing and proration unit for the Indian Basin-Upper Pennsylvanian Associated Pool (**33685**) comprising Lots 1 through 8 (N/2 equivalent) of Irregular Section 33, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico

This application has been duly filed under the provisions of: (i) Division Rule 104.F; (ii) Division Rule 1207.A; (iii) 111.C (2); and (iv) Rule 2 (c) of the aforementioned associated oil and gas pool rules.

This unit is currently simultaneously dedicated to Marathon's:

- (i) aforementioned Indian Hills Unit Well No. 9 located at a standard location 990 feet from the North line and 1980 feet from the East line (Lot 2/Unit B) of Irregular Section 33;
- (ii) Indian Hills Unit Well No. 12 (**API No. 30-015-28813**), located at an unorthodox location (approved by Division Administrative Order NSL-4175, dated December 4, 1998) 2080 feet from the North line and 2130 feet from the West line (Lot 6/Unit F) of Irregular Section 33;
- (iii) Indian Hills Unit Well No. 22 (**API No. 30-015-31150**), located on the surface 1691 feet from the North line and 10 feet from the West line (Lot 5/Unit E) of Irregular Section 33 and completed, presumably, at a standard sub-surface location pursuant to Division Rules 111.A (7) and (13) and 111.C (2) within Lot 4 (NW/4 NW/4 equivalent - Unit D) of Irregular Section 33; and



Structure : IHU #9

Slot : slot #1

Field : INDIAN BASIN

Location : Eddy County New Mexico

## WELL PROFILE DATA

Point	ME	Inc	Dir	TVD	North	East	Sec	Dev 100'
Surface	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FOF	8000.00	0.00	46.91	8000.00	0.00	1376.09	0.00	0.00
Target End of Curve	8180.90	94.00	46.91	8116.00	80.58	86.14	11.73	51.00
T.D. & Target	9442.11	94.00	46.91	8022.02	940.00	1005.00	1376.09	0.00

## INTEQ

## STRUCTURE SET-UP REFERENCE

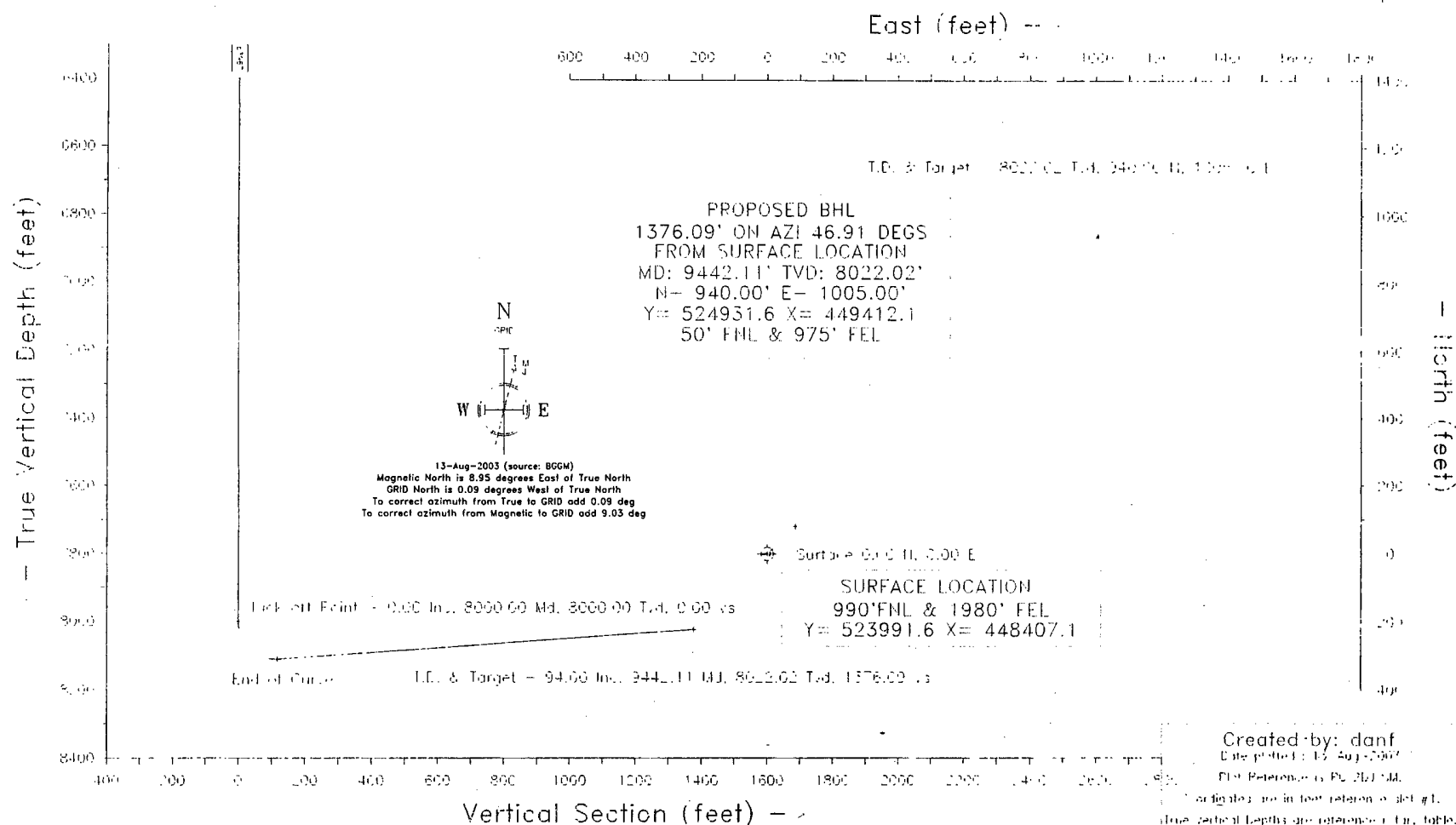
 LAT : 36° 50' N  
 LONG : 106° 30' W

X = 524931.6 Y = 448407.1

## PROJECTION: MERCATOR

 Mercator Zone: 18N  
 Spheroid Used: WGS84

Data Source: BGGM

 Dip Angle: 0.00 deg  
 Field Strength: 0.00 nT


Created by: danf

Date plotted: 13-Aug-2003

File Reference: PL 261.MD

Vertical depths are in feet relative to slot #1.

True vertical depths are referenced in the table.

Notes: None