MARATHON OIL COMPANY

Rocky Hills SWD #1 186' FSL & 1537' FEL Sec. 19, T - 21 - S, R- 24- E Eddy Co., NM

2/13/98 MIRU McVay # 7, spud 14.75" hole @ 0700 hrs 2/14/98, drilled to 1214'. Ran 28 jts, 10.75", 40.5# K-55, stc csg landed @ 1214'. Tx pattern shoe @ 1213', insert float @ 1171'. Cemented surface casing w/ 200 sx prem cal/seal w/ 10% calseal, 1% cacl, .5% flocele, 10 ppps gilsonite, wt - 14.6 ppg, yield - 1.54. Followed by 880 sx Lite Prem Plus w/ 2% cacl, wt - 12.4 ppg, yield 2.02. Tailed in w/ 200 sx prem plus neat. Bumped plug, did not circulate cement. Ran 1" tbg to 464'. Cemented to surface W/ 600 sx "C" w/ 3% cacl in 6 stages. Circulated 100 sx to pit. Cut casing and installed 10.75" X 7.625"3M SOW csg head. NU 3M dual ram BOPE, tested rams, choke, kill lines, floor valves, mud lines, and to 1000 psi. . TIH and tagged cement @ 1120'. Tested casing to 500 psi. Drilled float equip and resumed drilling formation.

Drilled 9.875" hole to 10,240'. TD @ 1530 hrs, 3/13/98.Ran 7.625", 29.7# & 26.4# casing to 10,240'. Shoe @ 10,238', collar @ 10, 154',D.V. @ 6242'. Cemented 1st stage W/ 200 sx Modified Super "H", .4% CFR-322, 5 pps gilsonite, .5% Halad - 344, 1 pps nacl, wt - 13.0, yield 1.68. Displaced w/ water and mud, opened D.V. and circulated 150 sx to pit. Cemented 2nd stage w/ 775 sx Interfil "C", .25 pps flocele, 3 pps gilsonite, .2% Halad-322, wt - 11.9, yield 2.46. Tailed in w/ 100 sx "C" neat, circulated 288 sx. To pit.

N.D. BOPE, set slips, cut csg, NU 11" 3M X 7 1/16" 5M tubing head. Tested seals to 5000 psi. NU and tested BOPE. PU 3 ½" DP, TIH w/ 6.5" bit, tagged cement @ 6215', tested casing to 1000 psi. Drilled D.V. and cement to 10,240.

Drilled formation to 10,900'. Logged well as follows: Platform express - 10,902' - 10,240'. CNL/GR/DEN/CAL TD - Surf.

Ran Baker FAB packer, 1 - 40' jt, 5.5" casing, w/ Otis 3.68" profile, Baker WL entry guide. Set packer @ 10,139'.

Ran 232 jts, 5", L-80 18# IPC casing w/ Baker K-22 anchor seal nipple. RO packer fluid and tested nipple to 800 psi. Landed casing in Cameron 5M "C" section w/ 15M compression.

Installed 7 1/16" 5M X 4 1/16" 5m tree (stainless trim).

Jetted pits, released rig @ 0000 hrs 3/20/98.