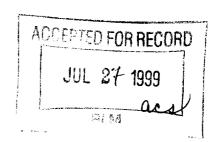
Form 3160-5 (November 1994)

DEPAR ... ENT OF THE INTERIOR N.M. Oil (IS. Division FORM APPROVED BURGET BURGT BURGET BURGT BURGT BURGT BURGT BURGT BURGT BURGT BURGT BUREAU OF LAND MANAGEMENT 811 S. 1st Street SUNDRY NOTICES AND REPORTS ON WELLETIES, NM 88210-2834 ease Serial No. NM-06293 Do not use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE	- Other instructions on reverse side	INDIAN HILLS UNIT
1. Type of Well Oil X Gas Well Other 2. Name of Operator V Marathon Oil Company	OCDICE/VESO	8. Well Name and No. INDIAN HILLS UNIT 17
3a. Address P.O. Box 552 Midland, TX 79702 4. Location of Well (Footage, Sec., T., R., M., or Survey Descript. U.L. "B", 660' FNL & 2220' FEL	3h Phone No. (include grea code) 915/687-8356	9. API Well No. 30-015-30661 10. Field and Pool, or Exploratory Area INDIAN BASIN - MORROW
SEC. 28, T-21-S, R-24-E		11. County or Parish, State EDDY NM
12. CHECK APPROPRIA	ATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT	F, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
X Notice of Intent Subsequent Report Final Abandonment Notice	Alter Casing Fracture Treat Reclamatic Casing Repair New Construction Recomplet	X Other Spud & Drlg ly Abandon Operations
If the proposal is to deepen directionally or recomp Attach the Bond under which the work will be per	rly state all pertinent details, including estimated starting date of any pro- lete horizontally, give subsurface locations and measured and true verti- formed or provide the Bond No. on file with BLM/BIA. Required su	ical depths of all pertinent markers and zones. absequent reports shall be filed within 30 days

rollowing completion of the involved operations. If the operation results in a multiple completion or recompletion 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.)

See attached for detail.



14. I hereby certify that the foregoing is true and correct Name (Printed Typed) R. J. LONGMIRE	Title DRILLING SUPERINTENDENT			
	Date 7/20/99			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE				
Approved by	Title	Date		
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lawhich would entitle the applicant to conduct operations thereon.	it or Office			

Title 18 U.S.C. Section 1001, 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.

RECEIVED

JUL 23 '99

ROSWELL, NM

Marathon Oil Company

Indian Hills Unit # 17 660' FNL & 2220' FEL Section 28, T-21-S, R-24-E Eddy County, N.M.

API # 30-015-30661

6/25/99, MIRU McVay # 4, Spud 12.25" hole @ 0900 hrs, 6/26/99. Drilled to 1220'. Ran 29 jts, 9.625", 36 #, K-55, STC casing to 1220', shoe @ 1220', Float collar @ 1177'. Cemented W/ 200 sx Thixset Wt-14.0, yield-1.52, followed by 200 sx. Premium plus Wt -- 12.4, yield - 2.02. Tailed in w/ 200 sx premium plus neat, Wt 14.8, yield - 1.34. Circulated 233 sx. Cement. Welded 9.625" SOW X 11" 3M casing head. Tested weld to 1500 psi. N.U. 11" 3M dual ram and annular BOPE, choke manifold and kill line. Tested BOPE to 3000/300 psi. Tested annular to 2000 psi. P.U. 8.75" bit and TIH to TOC @ 1150', tested casing to 1000 psi. Drilled shoe and formation to 8200' TD @ 0200 hrs 7/9/99. RU Schlumberger, ran Platform - Express w/ HALS/NGT 8041' - Surface.

Changed rams to 7", ran 75 jts, 26 #, K-55, 105 jts, 23 #, K-55, 2 jts, 26 #, K-55 LTC casing to 8200'. Shoe @ 8150', float collar @ 8106', ECP @ 5970', D.V. @ 5960'. Cemented 1st.. stage w/ 175 sx Premium Plus w/ 50,000 Scf N2, Wt - 9.2, yield - 1.18. Tailed in w/ 240 sx Premium Plus. Set ECP & dropped bomb, opened D.V. tool @ 5960', circulated out gas and water, had full returns, did not circulate cement. Cemented 2nd stage w/ 560 sx. Interfil "C" w/ .25 p.p.s. flocele, 3 p.p.s. Gilsonite, .2% Halad - 22, Wt - 11.9, yield - 2.47. Tailed in w 100 sx neat. Plug down @ 0145 hrs, 7/10/99. Circulated 70 sx to surface.

ND BOPE and set slips, NU 11" 3M X 7 1/16" 3M tubing spool. Tested seals to 1000 psi. Picked up 3.5" drill pipe & 4.75" collars. Drilled 4.75" hole to 9750'. Logged well.

RIH w/ DP to 9394'. Spotted 35 sack balanced plug 9394' - 9269'. TOH w/ DP to 8905', spotted 35 sack balanced cement plug 8905 - 8780'. TOH w/ DP to 8255' Spotted 35 sack balanced plug 8255' - 8120'.

Released rig @ 0900 hrs 7/21/99.