

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

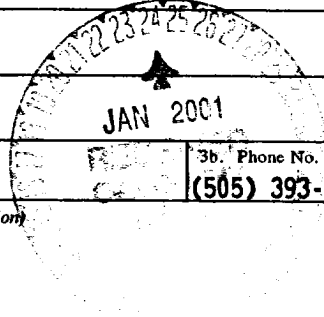
FORM APPROVED
Budget Bureau No. 1004-0135
Expires July 31, 1996

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. NMSF-080382A
2. Name of Operator Marathon Oil Company		6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 2409, Hobbs, NM 88240		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) (505) 393-7106		8. Well Name and No. Schwerdtfeger No. 12
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL K, Sec. 16, T-27-N, R-11-W 1650' FSL & 1650' FWL		9. API Well No. 30-045-06502
		10. Field and Pool, or Exploratory Area West Kutz Canyon Pictured Cliffs
		11. County or Parish, State San Juan County NM



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"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other _____

13. Describe Proposed or Coompleted 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 recomplete 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 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.)

The Schwerdtfeger No. 12 was worked over in late 1998 with limited success in the Pictured Cliffs. We still feel that the PC may be productive and would like additional time to study this formation before we P&A the well. However, Marathon will do the following work to properly TA the wellbore. We expect to recomplete this well sometime in 2003.

1. RU pulling unit. ND wellhead. NU BOP.
2. TOOH w/63 jts 2 3/8" tbg, SN, and notched collar.
3. TIH w/4" CIBP set at 1875'. Perfs at 1946-1970'. Btm of 4" csg at 2015'.
4. Circulate 2X KCL w/corrosion inhibitor.
5. Test csg/CIBP to 500 psi for 30 minutes. (If MIT fails, TOOH, PU pkr and isolate leak.)
6. TOOH laying down tbg.
7. ND BOP. NU wellhead. RD pulling unit.

THIS APPROVAL EXPIRES APR 20 2001

If csg/CIBP fails MIT, an AFE will be written to obtain approval to repair or P&A wellbore.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Kelly Cook	Title Records Processor
<i>Kelly Cook</i>	Date 1/12/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date 1/19/01
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.	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.