



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**BETTY RIVERA**  
Cabinet Secretary

July 3, 2002

**Lori Wrotenberg**  
Director  
Oil Conservation Division

**Marathon Oil Company**  
c/o W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504-2265

Telefax No. (505) 982-2047

*Administrative Order NSL-4755 (BHL)*

Dear Mr. Kellahin:

Reference is made to the following: (i) your application (*application reference No. pKRY0-201555225*) on behalf of the operator, Marathon Oil Company ("Marathon"), that was submitted to the New Mexico Oil Conservation Division ("Division") on January 14, 2002; (ii) the Division's initial response by letter dated February 14, 2002 from Mr. Michael E. Stogner, Engineer/Chief Hearing Officer in Santa Fe requesting verification and additional data to support your application; (iii) your response by letter dated February 28, 2002 with attachments; (iv) your conversation with Mr. Stogner on March 27, 2002 whereby Marathon was given verbal approval to commence drilling the well that is the subject to your request; (v) your e-mail message to Mr. Stogner of May 8, 2002; (vi) Mr. Walter Ducease's meeting in Santa Fe with Mr. Stogner in Santa Fe on May 20, 2002; (vii) Mr. Ducease's telephone conversation with Mr. Stogner on June 24, 2002; (viii) Mr. Ducease's e-mail of June 27, 2002 that contained an amendment to the original application and included attachments to complete this filing; (ix) Mr. Stogner's two e-mail messages to Mr. Ducease on June 27, 2002; (x) Mr. Ducease's reply by e-mail on June 28, 2002; (xi) two other e-mail messages from Mr. Stogner to Mr. Ducease on July 2, 2002 seeking clarification of the amended data; (xii) Mr. Ducease's three e-mails to the Division submitted on July 2, 2002 with the required information necessary to complete this filing; and (xiii) the Division's records in Santa Fe and Artesia: all concerning Marathon's request for a non-standard subsurface well location to be applicable to the Wolfcamp formation and the Undesignated Indian Basin-Upper Pennsylvanian Associated Pool (33685) for its recently drilled Indian Hills Unit Well No. 42 located on the surface 475 feet from the North line and 2522 feet from the East line (Lot 2/Unit B) of Section 20, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico. The S/2 equivalent of Section 17 (Lots 1 through 8), Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, being a standard 343.86-acre lay-down spacing and proration unit for both intervals is to be dedicated to this well.

**The Division Director Finds That:**

(1) Marathon is the current operator of the Indian Hills Unit Area (see Division Order No. R-2420, issued in Case No. 2748 on February 6, 1963) comprising the following described 4,480.00 acres, more or less, of Federal (3,640 acres, 81.25 %) and State (840 acres, 18.75 %) lands in Eddy County, New Mexico:

**TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM**

Sections 16 and 17:	All
Sections 20 and 21:	All
Sections 28 and 29:	All
Section 33:	All.

(2) The Indian Basin-Upper Pennsylvanian Associated Pool currently comprises the following described area in Eddy County, New Mexico:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM

Section 36: E/2

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM

Section 16: W/2

Sections 20 and 21: All

Section 27: S/2

Sections 28 through 34: All

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM

Section 1: E/2

Section 12: E/2

Section 13: E/2

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM

Sections 2 through 10: All

Section 11: N/2

Sections 16 through 18: All.

(3) The area encompassing the Indian Basin-Upper Pennsylvanian Associated Pool and the upper-Pennsylvanian interval (Cisco and Canyon formations) within one-mile is currently governed by 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, and R-9922-D 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, which require standard 320-acre oil and gas spacing units with wells to be located no closer than 660 feet from the outer boundary of the proration unit nor closer than 330 feet from any quarter-quarter section line or subdivision inner boundary, and no more than one well per 80-acre tract shall be drilled or produced on a standard proration unit.

(4) The subject 343.86-acre spacing unit for this well comprising the S/2 equivalent of Section 17, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, is: (i) within one mile of the Indian Basin-Upper Pennsylvanian Associated Pool, which is the primary zone of interest for Marathon's Indian Hills Unit Well No. 42; and (ii) is considered to be "wildcat" in the Wolfcamp formation.

(5) The secondary Wolfcamp zone is currently subject to Division Rule 104.C (1), which provides for: (i) 320-acre spacing; and (ii) for the initial well to be no closer than 660 feet to any quarter section line nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary.

(6) Marathon initially spud the Indian Hills Unit Well No. 42 on April 4, 2002 and directionally drilled to a depth of 8985 feet. The estimated top of the Strawn was found at a depth of 8938 feet. During

drilling, severe lost circulation problems were encountered at 8258 feet. While attempting to log the well to TD the logging tools became stuck at 8854 feet. After an unsuccessful attempt to wash over the logging tools, the FMI, density, receptivity tools, as well as two joints of washpipe were left in the hole. At this point, Marathon elected to plug back the initial directional wellbore and sidetrack a new hole; however, while setting plugs on top of the washpipe and logging tools, Marathon again stuck the drill string at 8600 feet and left behind seven joints of heavy walled drill pipe and three joints of 2-7/8 inch AOH tubing. An abandonment plug was finally set at 7815 feet (presumably in a manner that meets with approval by the Division, the appropriate agency of the U. S. Department of the Interior, and the U. S. Department of Energy) and a kick-off plug was set at 5945 feet. This second sidetracked hole was kicked-off at a depth of 6170 feet in an east-northeasterly direction and TD'ed at 8935 feet. Due to severe circulation losses encountered at a depth of 8239 feet and expenses incurred on the well thus far, Marathon elected to TD the well at the base of the upper-Pennsylvanian interval (Canyon formation) and not pursue the Strawn as originally planned.

- (7) The actual subsurface location of the current direction wellbore at:
- (i) the top of the Wolfcamp formation at a measured depth of 7395 feet is 6 feet from the South line and 761 feet from the East line (Lot 8/Unit P) of Section 17, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico; and
  - (ii) the top of the Upper-Pennsylvanian interval (Cisco formation) at a measured depth of 8227 feet is 46 feet from the South line and 511 feet from the East line (Lot 8/Unit P) of Section 17.

(8) The geologic interpretation submitted with this application indicates that the well drilled in this manner served to penetrate the Undesignated Indian Basin-Upper Pennsylvanian Associated Pool at a more favorable geologic position than a well drilled at a location considered to be standard within the S/2 equivalent of Section 17; furthermore, it is economically practical to utilize a single wellbore to test the secondary Wolfcamp interval.

(9) The subject application for Marathon's proposed Indian Hills Unit Well No. 42 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.

**It Is Therefore Ordered That:**

(1) By the authority granted me under the provisions of Division Rules 104.F (2), as revised, and the applicable provisions of the rules governing the Indian Basin-Upper Pennsylvanian Associated Pool, Marathon Oil Company's ("Marathon") request for an unorthodox subsurface location in both the Wolfcamp formation and Undesignated Indian Basin-Upper Pennsylvanian Associated Pool (33685), as further described in Finding Paragraphs No. (6) and (7) above, for its Indian Hills Unit Well No. 42, located at a surface location 475 feet from the North line and 2522 feet from the East line (Lot 2/Unit B) of Section 20, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, is hereby approved.

(2) Lots 1 through 8 (S/2 equivalent) of Section 17, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, being a standard 343.86-acre lay-down spacing and proration unit for both the Wolfcamp formation and the Undesignated Indian Basin-Upper Pennsylvanian Associated Pool, is to be

Administrative Order NSL-4755(BHL)  
Marathon Oil Company  
July 3, 2002  
Page 4

---

dedicated to this well.

(3) The aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to the Indian Basin-Upper Pennsylvanian Associated Pool.

(4) Further, Marathon shall comply with all provisions of Division Rule 111 applicable in this matter.

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenberg  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia  
U. S. Bureau of Land Management - Carlsbad  
New Mexico State Land Office - Santa Fe  
Walter Ducease - Marathon Oil Company, Midland



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**Bill Richardson**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

May 22, 2003

**Marathon Oil Company**  
P. O. Box 552  
Midland, Texas 79702-0552  
Attention: **Steve Millican**  
[SMillican@MarathonOil.com](mailto:SMillican@MarathonOil.com)

*Administrative Order NSL-4755-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 April 16, 2003 (*administrative application reference No. pKRV0-310738106*); and (ii) the Division's records in Santa Fe, including the file on Division Administrative Order NSL-4755 (BHL): 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 its proposed Indian Hills Unit Well No. 52 to be drilled as an upper Pennsylvanian infill well to an unorthodox subsurface location within an existing standard 343.86-acre lay-down spacing and proration unit comprising Lots 1 through 8 (S/2 equivalent) of Section 17, Township 21 South, Range 24 East, NMPM, Indian Basin-Upper Pennsylvanian Associated Pool (33685), Eddy County, New Mexico.

This unit is currently dedicated to Marathon's Indian Hills Unit Well No. 42 (API No. 30-015-32355), located on the surface 475 feet from the North line and 2522 feet from the East line (Lot 2/Unit B) of Section 20, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, and completed within the Indian Basin-Upper Pennsylvanian Associated Pool at an unorthodox sub-surface location within Lot 8 (SE/4 SE/4 equivalent - Unit P) of Section 17, see Division Administrative Order NSL-4755 (BHL), dated July 3, 2002.

It is our understanding the proposed Indian Hills Unit Well No. 52, because of topographic reasons, will be spud at a surface location 1265 feet from the South line and 2073 feet from the East line (Lot 7/Unit O) of Section 17, and drilled directionally to the south to a targeted-bottomhole location at an approximate depth 8,700 feet (TVD) 69 feet from the South line and 2089 feet from the East line (Lot 7/Unit O) of Section 17. The wellbore is to intersect

Administrative Order NSL-4755-A (BHL) (SD)  
Marathon Oil Company  
May 22, 2003  
Page 2

---

the top of the Upper-Pennsylvanian interval at an approximate depth of 7,900 feet (TVD) 280 feet from the South line and 2073 feet from the East line (Lot 7/Unit O) of Section 17. The proposed well will be unorthodox in that the entire producing interval will be closer than the standard setback distance of 660 from the South line of Section 17. Further, this bottom-hole location has been chosen by Marathon to optimize reservoir drainage and minimize geological risk.

This application has been duly filed under the provisions of Division Rule 104.F and Rule 2 (c) of the Division's associated pool rules.

By the authority granted me under the provisions of Division Rule 104.F (2) and the applicable provisions of the special rules governing the Indian Basin-Upper Pennsylvanian Associated Pool, the above-described unorthodox sub-surface location for the Indian Hills Unit Well No. 52 within the S/2 equivalent of Section 17 is hereby approved.

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to the Indian Basin-Upper Pennsylvanian Associated Pool.

Marathon is hereby authorized to simultaneously dedicate production attributed to the Indian Basin-Upper Pennsylvanian Associated Pool from the aforementioned Indian Hills Unit Wells No. 42 and 52. Furthermore, Marathon is permitted to produce the allowable assigned the subject 343.86-acre spacing and proration unit from both wells in any proportion.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenberg  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia  
U. S. Bureau of Land Management - Carlsbad  
File: NSL-4755 (BHL)

CMD : ONGARD 04/13/04 08:31:46  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TP0S

API Well No : 30 15 32805 Eff Date : 10-30-2003 WC Status : A  
Pool Idn : 33685 INDIAN BASIN;UPPER PENN (ASSOC)  
OGRID Idn : 14021 MARATHON OIL CO  
Prop Idn : 6409 INDIAN HILLS UNIT

Well No : 052  
GL Elevation: 4207

U/L Sec Township Range North/South East/West Prop/Act (P/A)  
-----  
7 17 21S 24E FTG 1265 F S FTG 2073 F E P

B.H. Locn : 7 17 21S 24E FTG 1265 F S FTG 2073 F E P  
Lot Identifier:  
Dedicated Acre: 343.86  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll  
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06  
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD  
OG6ACRE C102-DEDICATE ACREAGE  
04/13/04 08:31:59  
OGOMES -TP0S  
Page No : 1

API Well No : 30 15 32805 Eff Date : 10-30-2003  
Pool Idn : 33685 INDIAN BASIN;UPPER PENN (ASSOC)  
Prop Idn : 6409 INDIAN HILLS UNIT  
Spacing Unit : 58598 OCD Order :  
Sect/Twp/Rng : 17 21S 24E Acreage : 343.86 Revised C102? (Y/N) :  
Dedicated Land:  
Well No : 052  
Simultaneous Dedication:

S	Base	U/L	Sec	Twp	Rng	Acreeage	L/W	Ownership	Lot	Idn
I	1	17	21S	24E	46.49	N	FD			
J	2	17	21S	24E	43.63	N	FD			
K	3	17	21S	24E	41.25	N	FD			
L	4	17	21S	24E	41.03	N	FD			
M	5	17	21S	24E	41.82	N	FD			
N	6	17	21S	24E	42.04	N	FD			
O	7	17	21S	24E	42.37	N	FD			
P	8	17	21S	24E	45.23	N	FD			

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
 PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 04/13/04 08:32:08  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP0S  
Page No: 1

OGRID Identifier : 14021 MARATHON OIL CO  
Pool Identifier : 33685 INDIAN BASIN;UPPER PENN (ASSOC)  
API Well No : 30 15 32805 Report Period - From : 01 2003 To : 02 2004

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water Stat	Well
30 15 32805	INDIAN HILLS UNIT	01 04 31	53182 5032 54323	P

Reporting Period Total (Gas, Oil) : 53182 5032 54323

M0025: Enter PF keys to scroll  
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

A18

*Gay*

N.M. Oil Cons. Div-Dist. 2

SUBMIT IN TRIPLICATE

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

5

UNITED STATES

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

1301 W. Grand Avenue  
Alamogordo, NM 88210

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

Marathon Oil Company

3. ADDRESS AND TELEPHONE NO.

P.O. Box 552 Midland, TX 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface

1265' FSL & 2073' FEL

At proposed prod. zone

100' FSL & 2100' FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

15 NW of Carlsbad N.M.

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest dirg. unit line, if any) 100' BHL

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED

TO THIS WELL

320 S/2

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

\* see below

19. PROPOSED DEPTH

8600'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4207' G.L.

Carlsbad Controlled Water Basin

22. APPROX. DATE WORK WILL START\*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8" K-55	36#	1800'	640 sks.
8-3/4"	7" K-55	23#/ 26#	8600'	1280 sks.

WITNESS

Marathon Oil Company is proposing to drill a directional Upper Penn Associated gas well to 8600'.

This well is Non Standard to the South boundary line of the Project Area. The wells BHL is outside the Standard 660' Producing Area window.

\*The BHL of the proposed IHU # 52 will be 1765' from the BHL of the IHU # 42 in U.L. "P" of Section 17.

NSL-4755-A (BHL)(SD)

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Gay*

TITLE Engineer Tech.

DATE September 09, 2002

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval 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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

ISI/ JOE G. LARA

TITLE

FIELD MANAGER

DATE: FEB 21 2003

\*See Instructions On Reverse Side

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.

APPROVAL FOR 1 YEAR

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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  
 Oil Well  Gas Well  Other

2. Name of Operator  
**Marathon Oil Company**

3a. Address 3b. Phone No. (include area code)  
**P.O. Box 552 Midland, TX 79702** **915-687-8360**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SHL @ 1265' FSL & 2073' FEL Sec. 17, T-21-S, R-24-E**  
**BHL Approx. 100' FSL & 2100' FEL Sec. 17, T-21-S, R-24-E**  
**Eddy Co. N.M.**

5. Lease Serial No.  
**LC-064243-A**

6. If Indian, Allottee or Tribe Name  
**N/A**

7. If Unit or CA/Agreement, Name and/or No.  
**Indian Hills Unit**

8. Well Name and No.  
**Indian Hills Unit # 52**

9. API Well No.

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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<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 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.)

Marathon is proposing to drill a directional well to 8700' TVD. This well will have a Non-Standard BHL Target. Well will be in the Indian Basin Upper Perm Associated Gas Pool.

Please find the New C-102 Acreage Dedication plat along with the Directional plan from Baker Inteq.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**Jerry Fletcher**

Title

**Engineer Tech.**

Date

**11/01/02**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

**IS/ JOE G. LARA**

**FIELD MANAGER**

Date

**FEB 21 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.

Office

**CARLSBAD FIELD OFFICE**

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 1988, Hobbs, NM 88241-1988

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

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

**OIL CONSERVATION DIVISION**  
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

AMENDED REPORT

API Number	Pool Code 33685	Pool Name Indian Basin Upper Penn. Assoc.
Property Code	Property Name INDIAN HILLS UNIT	Well Number 52
OGRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 4207'

Surface Location

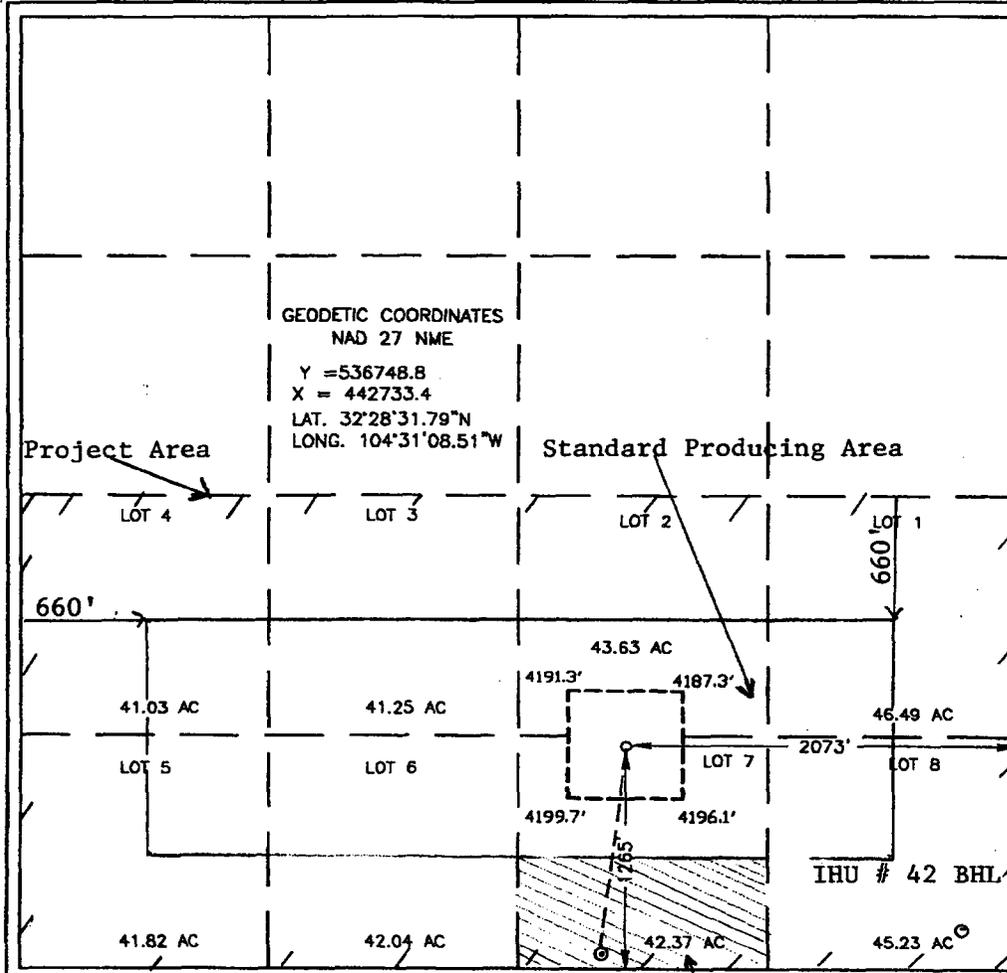
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
7	17	21-S	24-E		1265	SOUTH	2073	EAST	EDDY

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
7	17	21-S	24-E		100'	SOUTH	2100'	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320 S/2			

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



**OPERATOR CERTIFICATION**

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

*Jerry Fletcher*  
Signature

Jerry Fletcher  
Printed Name

Engineer Tech.  
Title

11-01-02  
Date

---

**SURVEYOR CERTIFICATION**

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.

AUGUST 26, 2002

Date Surveyed

Signature of Surveyor: *Ronald J. Edson*  
Professional Surveyor

NEW MEXICO  
Professional Surveyor  
02.11.0629

Certificate No. RONALD J. EDSON 3239  
CERY EDSON 12841

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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  
 Oil Well  Gas Well  Other

2. Name of Operator  
 Marathon Oil Company

3a. Address  
 P. O. Box 552, Midland, TX 79702-0552

3b. Phone No. (include area code)  
 (915) 682-1626

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 Section 17, Township 21 South, Range 24 East, N.M.P.M.

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
 Indian Hills Unit

8. Well Name and No.  
 Indian Hills Unit #52

9. API Well No.

10. Field and Pool, or Exploratory Area  
 Indian Basin

11. County or Parish, State  
 Eddy 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"/> 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 checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<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 recompleat 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 recompleat 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 site is ready for final inspection.)

Indian Hills Unit #52 Flowline ROW Section 17, T-21-S, R-24-E.

Marathon Oil Company proposes to install 2 flowlines from Indian Hills Unit #52 located on Section 17, T-21-S, R-24-E, and extending to Production Station 117 located on Section 17. The two flowlines will be constructed of 4" & 6" schedule 40, grade B, welded pipe and will be installed, on the surface, for a distance of approximately 1600feet in Section 17 as shown on John West Survey Plat #00111011. The flowlines are designed to transport 10 MMSCFD of gas, 400 BOPD and 10,000 BWPD. The flowlines and power lines will follow existing ROWs and roads. The Power Line hook up will be minimal 46' to existing power lines.

An archaeological survey for the route has been completed by Archaeological Survey Consultants and the report was previously submitted for original ROW.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Roger D. Edelbrock P.E.	Title Senior Construction Engineer
Signature <i>R D Edelbrock PE</i>	Date September 11, 2002

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <i>JSI</i> JOE G. LARA	<i>ALPN</i> FIELD MANAGER	Date FEB 21 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.		Office CARLSBAD FIELD OFFICE

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

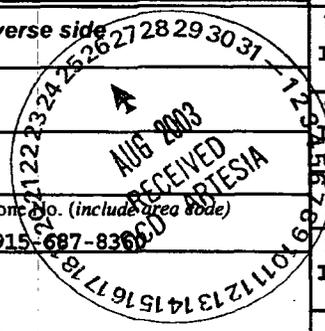
FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

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. <b>LC-064243-A</b>
2. Name of Operator <b>Marathon Oil Company</b>		6. If Indian, Allottee or Tribe Name <b>N/A</b>
3a. Address <b>P.O. Box 552 Midland, TX 79702</b>	3b. Phone No. (include area code) <b>915-687-8360</b>	7. If Unit or CA/Agreement, Name and/or No. <b>Indian Hills Unit</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>SHL @ 1265' FSL &amp; 2073' FEL Sec. 17, T-21-S, R-24-E EHL Approx. 100' FSL &amp; 2100' FEL Sec. 17, T-21-S, R-24-E Eddy Co. N.M.</b>		8. Well Name and No. <b>Indian Hills Unit # 52</b>
		9. API Well No. <b>30-015-32805</b>
		10. Field and Pool, or Exploratory Area <b>Indian Basin U.P. Assoc.</b>
		11. County or Parish, State <b>Eddy N.M.</b>



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 checked="" 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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other _____

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 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.)

Marathon is proposing to extend the original permitted IHU # 52 pad to accommodate a second well to be staked just beside the IHU # 52. The pad will need to be extended approximately 25 feet to the North and 20 feet to the East.

If the newly staked second well for the pad should not be drilled, Marathon has agreed with Barry Hunt to DOWNSIZE the additions made to the original pad.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>Jerry Fletcher</b>	Title <b>Engineer Tech.</b>
	Date <b>8/18/03</b>

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 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	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.*

RECEIVED

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

JAN 21 2004

OCD-ARTESIA

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC064243A
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 552 MIDLAND, TX 79702		7. If Unit or CA/Agreement, Name and/or No. NMNM70964X
3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 713.296.3598		8. Well Name and No. INDIAN HILLS UNIT 52
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL		9. API Well No. 30-015-32805-00-X1
		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well Spud
	<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 recompleat 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 recompleat 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 site is ready for final inspection.)

Please see Word attachment for Spud and Surface casing details.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #26876 verified by the BLM Well Information System  
For MARATHON OIL COMPANY, sent to the Carlsbad  
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/16/2004 (04AL0021SE)**

Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/15/2004

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <b>ACCEPTED</b>	ALEXIS C SWOBODA Title PETROLEUM ENGINEER <i>ASW</i>	Date 01/20/2004
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 Carlsbad

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

## Indian Hills Unit # 52 Spudded

09/19/2003 Drill out and set 40' of 16" conductor pipe Weld on surface flange and nipple up surface stack.

09/20/2003 Well spudded w/ 12 3/8" hammer bit air drilling to 150' lost returns at 150'. Put fluid pump on on well and freed pipe. POOH dumped 16 yards ready mix down hole to stabilize gravel and plug lost return area. Waited on cement to harden and air drilled from 55' to 180' with partial return of air. Drag encountered at 155' to 160'.

09/21/2003 Drill out tight spot from 180' to 192' hanging up. POOH dumped 10 yards of ready mix cement w/ Excellerator & 2% CACL. Wait on cement to harden RIH w/ 12 1/4" bit tagged up cement @145'. Air drilled through cement and down to 560'. Tight spots encountered at 156' , and 175' to 180'.

09/22/2003 Air drilled from 560' to 866' having trouble picking up to make connections @ 653'. POOH to check hole, boulder across hole at 180' to 200', large wash out in that area. Cemented in boulder and filled wash out section with 48 yards ready mix. Wait on cement to harden.

09/23/2003 Drilled out cement 56' to 194' lost returns hole falling in. Cemented hole with 9 1/2 yards. Waited on cement drilled out 25' to 213' partial returns tight spot at 180' to 192'. Pulled up to make connection tagged back up at 165' worked pipe back down to 213. POOH Dumped 10 yards ready. Tagged cement with sand line at 150'. Dumped 5 yards ready mix cementing to 40'. Waited on cement to set.

09/24/2003 RIH w/ 12 1/4" bit drilled out 40' to 305'. Fell out of cement at 310' washed reamed and cleaned out hole to 866'. Drilled hole from 866' to 1385'.

09/25/2003 Air drilled from 1385' to 1832'. POOH with drilling string. RIH with 41 joints 9 5/8" 36# K-55 casing landed at 1832'. Rigged up Cementers pumped foamed cement w/ 10,000 scf of N2, 20 bbls of gelled water, 700 sacks of Foamed Premium Plus, 1.5% Zonesealant, 2% CaCl2, tailed with 100 sacks of Premium Plus w/ 1.5% Zonesealant, 2% CaCl2. Circulated 265 sacks. Capped w/ 75 sacks of Neat w/ 2% CaCl2. Wait on cement to set. Cut off 9 5/8" casing and welded on 9 5/8" 3M x SOW wellhead.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NMOC

RECEIVED

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.*

JAN 29 2004  
OCD-ARTESIA

**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. NMLC064243A
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487		7. If Unit or CA/Agreement, Name and/or No. NMNM70964X
3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 713.499.6750		8. Well Name and No. INDIAN HILLS UNIT 52
4. Location of Well (Footage, Sec., T., R., M. or Survey Description) Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL		9. API Well No. 30-015-32805-00-X1
		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<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 recomplate 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 site is ready for final inspection.)

09/25/2003 Surface casing set and cemented (See sundry 01/15/2003)  
 09/26/2003 Installed wellhead and tested to 1500 psi. NU BOP, Hydril Choke, Tested pipe, blind rams, and kill line to 3000 psi. Air drilled 8.75" bit 1832' to 2310'.  
 09/27/2003 Air drilled 2310' to 3635'.  
 09/28/2003 Air drilled 3635' to 3990'. Loaded hole w/ fluid drilled from 3990' to 3996 Kick out and directional drill 3996' to 4141'.  
 09/29/2003 Directional drilled from 4141' to 4597'.  
 709/30/2003 to 10/07/2003 directional drilled from 4597' to 8764' TD.  
 10/07/2003 Ran open logs. Spectral Density, Dual Spaced Neutron, & Spectral Gamma Ray.  
 10/08/2003 Ran top to bottom 2 jts 7" 26# K-55 (88"), 100jts 7" 23# K-55(4676")  
 85 jts 7" 26# K-55 (3940'), casing float collar, 1jt 7" 26# K-55 (47"), casing shoe.  
 10/09/2003 Pumped 50,000 SCF of N2, 10 bbls 2% CaCl2, 10 bbls water spacer,

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #27206 verified by the BLM Well Information System  
For MARATHON OIL COMPANY, sent to the Carlsbad  
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/27/2004 (04AL0041SE)

Name (Printed/Typed) CHARLES KENDRIX

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 01/27/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**

ALEXIS C SWOBODA  
Title PETROLEUM ENGINEER *acc*

Date 01/28/2004

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 Carlsbad

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #27206 that would not fit on the form**

**32. Additional remarks, continued**

24 bbls Super flush, 10 bbls water 100 sks foamed acid sol. cement, 1100 sks foamed Premium Plus 2% Zonesealant. Tailed w/ 130 sks Mod. "H" cmt. Circ 150 sks. Capped w/ 75 sks Premium Plus. Set slips, cut off 7" casing. NU 11"X 7 1/16" 3M tubing head.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.* FFR 0 4 2004

**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		7. If Unit or CA/Agreement, Name and/or No. CD-ARTESIA NNMN70964A
2. Name of Operator MARATHON OIL COMPANY Contact: CHARLES KENDRIX E-Mail: cekendrix@marathonoil.com		8. Well Name and No. INDIAN HILLS UNIT 52
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487	3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 716.499.6750	9. API Well No. 30-015-32805-00-S1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASS
		11. County or Parish, and State EDDY 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"/> 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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 checked="" 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 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 site is ready for final inspection.)

As required by ONSHORE ORDER #7, Marathon Oil Company is notifying you of existing and intended methods of water disposal from this well. Produced water from this well will be sent, via pipeline, to one of the wells listed under PRIMARY DISPOSAL on the attached sheets. If additional capacity is required, water may be sent via pipeline (if available) or truck hauled to any of the wells listed under SECONDARY DISPOSAL on the attached sheets.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #27342 verified by the BLM Well Information System  
For MARATHON OIL COMPANY, sent to the Carlsbad  
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/30/2004 (04AL0060SE)**

Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/29/2004

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By LES BABYAK	Title PETROLEUM ENGINEER	Date 02/02/04
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 Carlsbad

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

*NMLCO*

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.*

RECEIVED

<b>SUBMIT IN TRIPLICATE - Other instructions on reverse side.</b>		7. If Unit or CA/Agreement, Name and/or No. NMNM70964A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. INDIAN HILLS UNIT 52
2. Name of Operator MARATHON OIL COMPANY		9. API Well No. 30-015-32805-00-S1
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 713.499.6750		11. County or Parish, and State EDDY COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL		

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<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 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 site is ready for final inspection.)

10/16/2003 Installed BOP, set frac tank, set pipe racks.  
10/17/2003 RIH w/ 6 1/8" bit, 7" casing scraper, 280 jts. Tagged PBDT @ 8714 Circ hole.  
10/23/2003 Rig up Halliburton. Pickle tubing and casing w/ 1000 gals 15% acid. Reversed out clean.  
Spot 1 bbls of brine and 750 gals of double inhib. 15% CCA.  
10/24/2003 Ran GR/CCL from PBDT 8714' to 6800. Made 4 perf runs.  
10/25/2003 Made 6 perf runs. 596 holes shot total from 8076' to 8448'. RIH w/ RBP and packer on 3 1/2" frac string. Set RBP @ 8500' set packer @ 8300'.  
10/27/2003 Foamed acid frac'd well with 10,000 gals 17% CCA Sour. RIH released RBP. Reset RBP @ 8330, set packer at 8030'. Foamed acid frac'd well with 15,000 gals 17% CCA Sour. Released packer POOH lay down frac string.  
10/28/2003 PU and assemble 455 stage FC1800 ESP. RIH on 272 jts 2 7/8" L-80 tubing SN @ 8489 Pump intake @ 8579'. Ran two strings 3/8" coil tubing. Upper CT at 8130'. Lower CT @ 8390'.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #27463 verified by the BLM Well Information System  
For MARATHON OIL COMPANY, sent to the Carlsbad  
Committed to AFMSS for processing by ARMANDO LOPEZ on 02/02/2004 (04AL0083SE)

Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 02/02/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <b>ACCEPTED</b>	ALEXIS C SWOBODA Title PETROLEUM ENGINEER <i>AS</i>	Date 02/03/2004
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 Carlsbad

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #27463 that would not fit on the form**

**32. Additional remarks, continued**

10/29/2003 Connect up ESP and well head. Start producing. Pump running in reverse.  
10/30/2003 Change pump direction and started well to production.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

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.*

FEB 09 2004

5. Lease Serial No.  
NMLC064243A

6. If Indian, Allottee or Tribe Name  
OCD-ARTESIA

7. If Unit or CA/Agreement, Name and/or No.  
NMNM70964A

8. Well Name and No.  
INDIAN HILLS UNIT 52

9. API Well No.  
30-015-32805-00-S1

10. Field and Pool, or Exploratory  
INDIAN BASIN UPPER PENN ASS

11. County or Parish, and State  
EDDY COUNTY, NM

**SUBMIT IN TRIPLICATE - Other Instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
MARATHON OIL COMPANY  
Contact: CHARLES KENDRIX  
E-Mail: cekendrix@marathonoil.com

3a. Address  
P O BOX 3487  
HOUSTON, TX 77253-3487

3b. Phone No. (include area code)  
Ph: 713.296.2096  
Fx: 716.499.6750

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL

**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"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input checked="" type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other

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 recompleat 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 recompleat 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 site is ready for final inspection.)

As required by ONSHORE ORDER #7, Marathon Oil Company is notifying you of existing and intended methods of water disposal from this well. Produced water from this well will be sent, via pipeline, to one of the wells listed under PRIMARY DISPOSAL on the attached sheets. If additional capacity is required, water may be sent via pipeline (if available) or truck hauled to any of the wells listed under SECONDARY DISPOSAL on the attached sheets.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS ATTACHED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #27342 verified by the BLM Well Information System  
For MARATHON OIL COMPANY, sent to the Carlsbad  
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/30/2004 (04AL0060SE)

Name (Printed/Typed) CHARLES KENDRIX Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission) Date 01/29/2004

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By LES BABYAK Title PETROLEUM ENGINEER Date 02/02/2004

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 Carlsbad

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.

January 29, 2004

**ATTACHMENT I**

**Marathon Oil Company Indian Basin**

**Primary Disposal:** MOC Battery Disposal System

Operated By: Marathon Oil Company  
Well Name: MOC SWD # 1  
Location: UL "M", Section 7, T-20-S, R-25-E  
Permit#: SWD 448

Operated By: Marathon Oil Company  
Well Name: Indian Hills State Com # 7  
Location: UL "F", Section 36, T-20-S, R-24-E  
Permit #: SWD 570

**Primary Disposal:** IBGP Disposal System

Operated By: Marathon Oil Company  
Well Name: AGI SWD # 1 State C  
Location: UL "E", Section 23, T-21-S, R-23-E  
Permit #: SWD 784

Operated By: Marathon Oil Company  
Well Name: Marathon Federal # 1  
Location: UL "K", Section 24, T-21-S, R-23-E  
Permit #: SWD 55

**Primary Disposal:** Indian Hills Unit Disposal System

Operated By: Marathon Oil Company  
Well Name: Rocky Hills #1 SWD  
Location: UL "O", Section 19, T-21-S, R-24-E  
Permit #: SWD 692

Operated By: Marathon Oil Company  
Well Name: Rocky Hills #2 SWD  
Location: UL "I" Section 20, T-21-S, R-24-E  
Permit #: SWD 738

Operated By: Marathon Oil Company  
Well Name: Indian Hills Unit #30 SWD  
Location: UL "L", Section 20, T-21-S, R-24-E  
Permit #: SWD 801

**Secondary Disposal**

Well Name: Springs SWD  
Operator: Rowland  
Location: Sec 27, T-20-S, R-26-E  
Permit#: SWD 86

Well Name: BKE  
Operator: Rowland  
Location: Sec 13, T-23-S, R-27-E  
Permit#: SWD 495

Well Name: Salty Bill SWD  
Operator: Grace Oil  
Location: Sec 36, T-22-S, R-26-E  
Permit#: SWD 118, Fed ID # 850303046

January 29, 2004

Well Name: Big Eddy Federal 100 SWD (Whistle Stop)  
Operator: Dakota Resources  
Location: Unit "L", Sec 8, T-21-S, R-28-E  
Permit#: SWD 461

Well Name: Dorstate SWD  
Operator: Mesquite Services  
Location: Sec 27, T25S, R26E  
Permit#: SWD 247

Well Name: Aikman SWD State # 1  
Location: Section 27, T-19-S, R-25-E  
Permit#: SWD 417

Well Name: Holstun # 1 SWD  
Operated By: Nearburg Producing Company  
Location: Section 4, T-20-S, R-25-E  
Permit#: R 9269

Well Name: Charolette McKay Federal # 1 SWD  
Operated By: Yates Petroleum  
Location: Section 25, T-20-S, R-25-E  
Permit#: SWD 460

Well Name: Walter Solt State No. 1  
Operator: I & W Inc.  
Location: Unit "L", Sec 5, T-18-S, R-28-E  
Permit#: SWD 318

Well Name: Dagger Draw Salt Water Disposal  
Location: Sec 22, T-19-S, R-25-E  
Permit#: R7637

Well Name: Myrtle-Myra WIW # 1  
Operator: Ray Westfall  
Location: Sec 21, T-21-S, R-27-E  
Permit#: SWD 391

Solids that can't be hauled into one of these disposal sites will be sent to:

Well Name: CRI SWD  
Location: Sec 27, T20S, R32E  
Permit #: SWD R91166

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.*

5. Lease Serial No.  
**NMLC064243A**

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

7. If Unit or CA/Agreement, Name and/or No.  
**NMNM70964A**

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
*Indian Hills Unit #52*

2. Name of Operator  
**MARATHON OIL COMPANY**  
Contact: **CHARLES KENDRIX**  
E-Mail: **cekendrix@marathonoil.com**

9. API Well No.  
*30-015-32805*

3a. Address  
**P O BOX 3487  
HOUSTON, TX 77253-3487**

3b. Phone No. (include area code)  
Ph: **713.296.2096**  
Fx: **713.499.6750**

10. Field and Pool, or Exploratory  
**INDIAN BASIN UPPER PENN ASSOC**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**Multiple-See Attached**

11. County or Parish, and State  
**EDDY COUNTY, NM**

**RECEIVED**

**FEB 24 2004**

**OCD-ARTESIA**

**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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<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 recompleat 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 recompleat 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 site is ready for final inspection.)

Please Amend the Indian Basin Field Commingle agreement as follows: Indian Hills Unit # 52 gross production will be sent to Station 117 along with production from Indian Hills Unit wells 25, 28, 31, 32, 37Y, 39, 40, 42, & 50. Gas from this well will be sent to the gas loop at Station 117. Produced fluids will be sent to the East Indian Basin Central Facility where the oil will be sold via LACT unit. Production volumes will be allocated based on well tests. The IHU # 52 will go into the test vessel through a shared line with Indian Hills Unit wells 28, 32, 39, & 50. The well will be isolated for test proposes to the test separator and other wells on the line will be routed to the production separators during testing of any individual well. Please see attachment 1 for Station 117 flows before addition of Indian Hills Unit # 52. Attachment 2 shows flow of product after the addition of # 52.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #27462 verified by the BLM Well Information System  
For MARATHON OIL COMPANY, sent to the Carlsbad  
Committed to AFMSS for processing by LINDA ASKWIG on 02/18/2004 (04LA0171SE)**

Name (Printed/Typed) <b>CHARLES KENDRIX</b>	Title <b>AUTHORIZED REPRESENTATIVE</b>
Signature (Electronic Submission)	Date <b>02/02/2004</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>ALEXIS C SWOBODA</u>	Title <b>PETROLEUM ENGINEER</b>	Date <b>02/23/2004</b>
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 <b>Carlsbad</b>

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #27462 that would not fit on the form**

**Wells/Facilities, continued**

<b>Agreement</b>	<b>Lease</b>	<b>Well/Fac Name, Number</b>	<b>API Number</b>	<b>Location</b>
NMNM70964A	NMLC064243A	INDIAN HILLS UNIT 52	30-015-32805-00-S1	Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL
NMNM70964A		FAC EIB E.I.B.CENTRAL PROD. FAC.		Sec 19 T21S R24E SWSE
NMNM70964A		FAC 117 IHU #117		Sec 17 T21S R24E SESW

NMOCD

RECEIVED

Form 3160-4 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FFR 0 3 7004

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

OCD-ARTESIA WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. NMLC064243A

1a. Type of Well [ ] Oil Well [x] Gas Well [ ] Dry [ ] Other
b. Type of Completion [x] New Well [ ] Work Over [ ] Deepen [ ] Plug Back [ ] Diff. Resvr. Other

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. NMNM70864A

2. Name of Operator MARATHON OIL COMPANY Contact: CHARLES KENDRIX E-Mail: cekendrb@marathonoil.com

8. Lease Name and Well No. INDIAN HILLS UNIT 52

3. Address P O BOX 3487 HOUSTON, TX 77253-3487 3a. Phone No. (include area code) Ph: 713.296.2096

9. API Well No. 30-015-32805-00-S1

4. Location of Well (Report location clearly and in accordance with Federal requirements)\* At surface SWSE Lot 7 1265FSL 2073FEL At top prod interval reported below SWSE Lot 7 323FSL 2152FEL At total depth SWSE Lot 7 128FSL 2159FEL

RECEIVED

FEB 0 3 7004

OCD-ARTESIA

10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC

11. Sec., T., R., M., or Block and Survey or Area Sec 17 T21S R24E Mer NMP

12. County or Parish EDDY 13. State NM

14. Date Spudded 09/20/2003 15. Date T.D. Reached 09/30/2003 16. Date Completed [ ] D & A [x] Ready to Prod. 10/30/2003

17. Elevations (DF, KB, RT, GL)\* 4207 GL

18. Total Depth: MD 8764 TVD 8613 19. Plug Back T.D.: MD 8714 TVD 8566 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) SPECTRALDENSITY NEUTRON SPECTRALGAMMARA 22. Was well cored? [x] No [ ] Yes (Submit analysis) Was DST run? [x] No [ ] Yes (Submit analysis) Directional Survey? [ ] No [x] Yes (Submit analysis)

Table with 10 columns: Hole Size, Size/Grade, Wt. (#/ft.), Top (MD), Bottom (MD), Stage Cementer Depth, No. of Skcs. & Type of Cement, Slurry Vol. (BBL), Cement Top\*, Amount Pulled. Contains data for hole sizes 12.375 and 8.750.

Table with 10 columns: Size, Depth Set (MD), Packer Depth (MD), Size, Depth Set (MD), Packer Depth (MD), Size, Depth Set (MD), Packer Depth (MD). Contains data for size 2.875.

Table with 7 columns: Formation, Top, Bottom, Perforated Interval, Size, No. Holes, Perf. Status. Contains data for UPPER PENN formation.

Table with 2 columns: Depth Interval, Amount and Type of Material. Contains data for STAGE 2 and STAGE 1 acid fracturing.

Table with 10 columns: Date First Produced, Test Date, Hours Tested, Test Production, Oil BBL, Gas MCF, Water BBL, Oil Gravity Corr. API, Gas Gravity, Production Method. Includes a 'ACCEPTED FOR RECORD' stamp and signature of Alexis C. Swoboda.

Table with 10 columns: Date First Produced, Test Date, Hours Tested, Test Production, Oil BBL, Gas MCF, Water BBL, Oil Gravity Corr. API, Gas Gravity, Production Method. Includes a 'ACCEPTED FOR RECORD' stamp and signature of Alexis C. Swoboda.

(See Instructions and spaces for additional data on reverse side) ELECTRONIC SUBMISSION #27256 VERIFIED BY THE BLM WELL INFORMATION SYSTEM \*\* BLM REVISED \*\*

28b. Production - Interval C									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	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 Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	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
UPPER PENN	8050	8458		SAN ANDRES GLORIETA YESO BONE SPRINGS WOLFCAMP CISCO	1202 2862 3006 5146 7203 8050

32. Additional remarks (include plugging procedure):  
Production Casing detail: All production casing is 7" K55 w/ two weights ran in the following sequence. 2 jts 26#  
100 jts 23#  
85 jts 26#  
1 Float collar  
1 ft 26#  
Float shoe total depth 8784'  
Notarized Inclination report and Directional survey are attached. The original copy of

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:      |                       |

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

Electronic Submission #27256 Verified by the BLM Well Information System.  
For MARATHON OIL COMPANY, sent to the Carlsbad  
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/30/2004 (04AL0056SE)

Name (please print) CHARLES KENDRIX

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 01/29/2004

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.

**\*\* REVISED \*\* REVISED \*\***



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

**Well Name and Number: Indian Hills Unit # 52**

**Location: Sec. 21, T21S, R24E**

**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:

Degrees @ Depth		Degrees @ Depth		Degrees @ Depth	
¼	300	16 ¼	5000	12 ¼	7626
¼	607	17	5251	11 ½	7848
¼	903	15 ½	5440	13 ½	8100
1	1212	16 ¼	5692	16	8414
¼	1521	15 ¼	5946	17 ¼	8603
¼	2046	15 ½	6134	18 ½	8667
¼	2392	16 ½	6325	18 ¼	8709
1 ¼	2836	16 ¼	6452		
1	3312	16 ¾	6643		
1	4023	17 ¼	6770		
1 ½	4086	16 ¼	7024		
14 ¼	4718	12 ½	7275		
15 ¼	4875	11 ¼	7339		

RECEIVED

FEB 0 3 2004

OCD-ARTESIA

**Drilling Contractor: McVay Drilling Company**

By: *[Signature]*

Subscribed and sworn to before me this 16th day of October, 2003

*[Signature]*  
 Notary Public

My Commission Expires: 8-16-05

Lea County, New Mexico

\* \* \* NAUTICAL (Version 4.01) \* \* \*

Well: Indian Hills Unit 52

Target Azimuth: 184.55  
Target TVD: 8650

Closure Direction: 184

Calculation Method - Minimum Curvature

Measured Depth (ft)	Inclination (deg.)	Azimuth (deg.)	True Vertical Depth (ft)	Vertical Section (ft)	North/South (ft)	East/West (ft)	Closure (ft)	Build Rate (deg/ft)	Walk Rate (deg/ft)	Dogleg Severity (d/100')	Tool Face (deg)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	← Tie-In Data				
100.00	0.58	303.91	100.00	-0.25	0.28	-0.42	0.51	0.006	-0.561	0.58	gyro
200.00	1.18	302.30	199.99	-0.98	1.11	-1.71	2.04	0.006	-0.016	0.60	gyro
300.00	1.24	304.17	299.96	-1.99	2.27	-3.48	4.15	0.001	0.019	0.07	gyro
400.00	1.16	303.76	399.94	-3.02	3.44	-5.21	6.25	-0.001	-0.004	0.08	gyro
500.00	1.05	306.90	499.92	-4.00	4.56	-6.79	8.17	-0.001	0.031	0.13	gyro
600.00	0.80	290.87	599.91	-4.69	5.35	-8.17	9.77	-0.003	-0.160	0.36	gyro
700.00	0.73	290.29	699.90	-5.06	5.82	-9.42	11.08	-0.001	-0.006	0.07	gyro
800.00	0.79	304.74	799.89	-5.58	6.44	-10.59	12.39	0.001	0.145	0.20	gyro
900.00	0.72	305.18	899.88	-6.24	7.19	-11.87	13.71	-0.001	0.004	0.07	gyro
1,000.00	0.72	294.75	999.88	-6.78	7.82	-12.75	14.96	0.000	-0.104	0.13	gyro
1,100.00	0.97	296.37	1,099.87	-7.31	8.46	-14.08	16.42	0.003	0.016	0.25	gyro
1,200.00	1.06	301.93	1,199.85	-8.05	9.32	-15.62	18.19	0.001	0.056	0.13	gyro
1,300.00	0.85	294.59	1,299.84	-8.73	10.12	-17.08	19.85	-0.002	-0.073	0.24	gyro
1,400.00	0.91	280.59	1,399.82	-9.07	10.57	-18.54	21.34	0.001	-0.140	0.22	gyro
1,500.00	0.96	271.66	1,499.81	-9.11	10.74	-20.15	22.84	0.000	-0.089	0.15	gyro
1,600.00	0.83	272.63	1,599.80	-9.05	10.80	-21.72	24.26	-0.001	0.012	0.13	gyro
1,700.00	0.71	259.04	1,699.79	-8.86	10.72	-23.05	25.42	-0.001	-0.138	0.22	gyro
1,800.00	0.50	250.69	1,799.78	-8.52	10.46	-24.07	26.24	-0.002	-0.084	0.23	gyro
1,900.00	0.43	251.50	1,899.78	-8.19	10.20	-24.83	26.85	-0.001	0.008	0.07	gyro
2,000.00	0.45	251.03	1,999.78	-7.89	9.95	-25.56	27.43	0.000	-0.005	0.02	gyro
2,100.00	0.51	249.62	2,099.77	-7.55	9.67	-26.35	28.07	0.001	-0.014	0.06	gyro
2,200.00	0.51	246.15	2,199.77	-7.15	9.33	-27.18	28.73	0.000	-0.035	0.03	gyro
2,300.00	0.50	246.24	2,299.77	-6.73	8.98	-27.98	29.39	0.000	0.001	0.01	gyro
2,400.00	0.34	240.77	2,399.76	-6.36	8.66	-28.64	29.92	-0.002	-0.055	0.16	gyro
2,500.00	0.46	220.38	2,499.76	-5.87	8.21	-29.16	30.29	0.001	-0.204	0.18	gyro
2,600.00	0.57	220.57	2,599.76	-5.14	7.52	-29.74	30.88	0.001	0.002	0.11	gyro
2,700.00	0.64	191.97	2,699.75	-4.18	6.60	-30.18	30.89	0.001	-0.286	0.31	gyro
2,800.00	0.47	179.67	2,799.75	-3.22	5.64	-30.30	30.82	-0.002	-0.123	0.21	gyro
2,900.00	0.45	190.76	2,899.74	-2.42	4.85	-30.37	30.75	0.000	0.111	0.09	gyro
3,000.00	0.67	215.24	2,999.74	-1.53	3.98	-30.78	31.03	0.002	0.245	0.32	gyro
3,100.00	0.75	200.93	3,099.73	-0.40	2.89	-31.35	31.48	0.001	-0.143	0.19	gyro
3,200.00	0.93	196.22	3,199.72	1.03	1.50	-31.81	31.84	0.002	-0.047	0.19	gyro
3,300.00	0.93	198.42	3,299.71	2.61	-0.05	-32.29	32.29	0.000	0.022	0.04	gyro
3,400.00	1.03	189.60	3,399.69	4.29	-1.70	-32.70	32.74	0.001	-0.088	0.18	gyro
3,500.00	0.83	178.60	3,499.68	5.91	-3.31	-32.83	33.00	-0.002	-0.110	0.27	gyro
3,600.00	0.83	190.81	3,599.67	7.35	-4.75	-32.95	33.29	0.000	0.122	0.18	gyro
3,700.00	0.75	189.18	3,699.66	8.72	-6.11	-33.19	33.75	-0.001	-0.016	0.08	gyro
3,800.00	0.50	200.78	3,799.65	9.79	-7.16	-33.45	34.21	-0.003	0.116	0.28	gyro
3,850.00	0.37	202.10	3,849.65	10.15	-7.51	-33.59	34.42	-0.003	0.026	0.28	gyro
3,900.00	0.44	211.60	3,899.65	10.87	-8.20	-33.94	34.92	0.001	0.086	0.09	mwd
4,023.00	0.88	207.09	4,022.65	11.53	-8.84	-34.29	35.41	0.007	-0.072	0.70	mwd
4,086.00	1.40	202.20	4,085.63	12.71	-9.98	-34.80	36.20	0.008	-0.078	0.84	mwd
4,148.00	2.60	196.90	4,147.59	14.81	-12.03	-35.49	37.48	0.019	-0.085	1.96	mwd
4,211.00	3.50	198.70	4,210.50	18.07	-15.22	-36.53	39.57	0.014	0.029	1.44	mwd
4,274.00	4.60	199.30	4,273.35	22.38	-19.42	-37.98	42.66	0.017	0.010	1.75	mwd
4,337.00	5.70	200.40	4,336.09	27.83	-24.74	-39.90	48.95	0.017	0.017	1.75	mwd
4,400.00	7.10	203.20	4,398.70	34.53	-31.25	-42.53	52.78	0.022	0.044	2.28	mwd
4,464.00	8.70	205.70	4,462.09	42.79	-39.25	-46.18	60.61	0.025	0.039	2.56	mwd
4,527.00	10.20	204.90	4,524.23	52.46	-48.60	-50.60	70.16	0.024	-0.013	2.39	mwd
4,591.00	11.70	204.30	4,587.06	63.89	-59.66	-55.66	81.59	0.023	-0.009	2.35	mwd
4,654.00	12.80	205.30	4,648.63	76.42	-71.79	-61.27	94.38	0.017	0.016	1.78	mwd
4,718.00	14.20	205.30	4,710.86	90.39	-85.30	-67.65	108.87	0.022	0.000	2.19	mwd
4,780.00	15.40	203.90	4,770.80	105.27	-99.70	-74.24	124.30	0.019	-0.023	2.02	mwd

\* \* \* N A U T I C A L ( V e r s i o n 4 . 0 1 ) \* \* \*

Well: Indian Hills Unit 52

Target Azimuth: 184.55  
Target TVD: 8650

Closure Direction: 184

Calculation Method - Minimum Curvature

Measured Depth (ft)	Inclination (deg.)	Azimuth (deg.)	True Vertical Depth (ft)	Vertical Section (ft)	North/South (ft)	East/West (ft)	Closure (ft)	Build Rate (deg/ft)	Walk Rate (deg/ft)	Dogleg Severity (d/100')	Tool Face (deg)
4,843.00	15.80	202.50	4,831.48	121.33	-115.27	-80.91	140.83	0.006	-0.022	0.87	mwd
4,939.00	16.10	200.40	4,923.78	148.56	-139.82	-90.55	168.58	0.003	-0.022	0.68	mwd
5,000.00	16.20	197.60	4,982.38	162.99	-155.86	-96.07	183.09	0.002	-0.046	1.29	mwd
5,083.00	16.20	191.60	5,042.88	180.27	-172.85	-100.50	199.94	0.000	-0.095	2.66	mwd
5,124.00	16.30	185.20	5,101.45	197.28	-189.71	-102.98	215.86	0.002	-0.105	2.94	mwd
5,187.00	16.70	179.60	5,161.86	215.14	-207.57	-103.72	232.04	0.008	-0.089	2.60	mwd
5,251.00	17.10	176.50	5,223.10	233.62	-226.15	-103.08	248.54	0.006	-0.048	1.54	mwd
5,313.00	16.60	176.80	5,282.43	251.42	-244.09	-102.03	264.56	-0.008	0.005	0.82	mwd
5,377.00	16.00	177.20	5,343.86	269.23	-262.03	-101.09	280.86	-0.009	0.006	0.95	mwd
5,440.00	15.60	178.60	5,404.48	286.26	-279.17	-100.46	296.70	-0.006	0.022	0.88	mwd
5,504.00	15.50	180.00	5,466.14	303.35	-296.33	-100.25	312.83	-0.002	0.022	0.61	mwd
5,565.00	16.00	178.80	5,524.85	319.84	-312.88	-100.09	328.50	0.008	-0.018	0.95	mwd
5,629.00	16.30	177.50	5,586.32	337.53	-330.68	-99.53	345.33	0.005	-0.022	0.77	mwd
5,692.00	16.30	177.20	5,646.79	355.07	-348.34	-98.71	362.05	0.000	-0.005	0.13	mwd
5,756.00	15.70	176.80	5,708.31	372.56	-365.96	-97.79	378.80	-0.009	-0.006	0.95	mwd
5,819.00	16.10	175.80	5,768.90	389.64	-383.18	-96.67	395.18	0.006	-0.016	0.77	mwd
5,882.00	16.00	175.80	5,829.44	406.85	-400.55	-95.40	411.75	-0.002	0.000	0.16	mwd
5,946.00	15.30	173.60	5,891.07	423.86	-417.74	-93.81	428.14	-0.011	-0.034	1.43	mwd
6,009.00	16.00	175.40	5,951.74	440.60	-434.65	-92.19	444.32	0.011	0.029	1.35	mwd
6,072.00	15.90	175.40	6,012.31	457.69	-451.91	-90.80	460.94	-0.002	0.000	0.16	mwd
6,134.00	15.40	175.10	6,072.01	474.19	-468.58	-89.41	477.03	-0.008	-0.005	0.82	mwd
6,198.00	15.60	176.90	6,133.69	491.11	-485.64	-88.22	493.59	0.003	0.028	0.81	mwd
6,261.00	16.50	177.20	6,194.23	508.37	-503.03	-87.33	510.56	0.014	0.005	1.43	mwd
6,325.00	16.40	176.80	6,255.61	526.34	-521.13	-86.38	528.24	-0.002	-0.006	0.24	mwd
6,388.00	16.50	175.40	6,316.03	543.99	-538.93	-85.16	545.82	0.002	-0.022	0.65	mwd
6,452.00	16.20	175.40	6,377.44	561.77	-556.89	-83.72	563.14	-0.005	0.000	0.47	mwd
6,515.00	16.30	174.30	6,437.93	579.15	-574.44	-82.14	580.29	0.002	-0.017	0.51	mwd
6,578.00	16.70	174.30	6,498.33	596.76	-592.25	-80.36	597.67	0.006	0.000	0.63	mwd
6,642.00	16.70	173.60	6,559.63	614.83	-610.54	-78.42	615.55	0.000	-0.011	0.31	mwd
6,706.00	17.05	171.90	6,620.88	633.02	-628.96	-76.07	633.55	0.005	-0.027	0.95	mwd
6,770.00	17.30	171.90	6,682.02	651.48	-647.67	-73.41	651.82	0.004	0.000	0.39	mwd
6,833.00	16.60	174.40	6,742.29	669.45	-665.90	-71.21	669.70	-0.011	0.040	1.60	mwd
6,897.00	15.90	177.60	6,803.73	687.16	-683.76	-69.95	687.33	-0.011	0.050	1.78	mwd
6,960.00	15.80	179.60	6,864.34	704.27	-700.96	-69.53	704.40	-0.002	0.032	0.88	mwd
7,024.00	16.30	178.20	6,925.84	721.87	-718.65	-69.19	721.97	0.008	-0.022	0.99	mwd
7,088.00	16.00	178.60	6,987.31	739.57	-736.45	-68.69	739.64	-0.005	0.006	0.50	mwd
7,150.00	15.60	181.40	7,046.97	756.40	-753.32	-68.69	756.45	-0.006	0.045	1.39	mwd
7,213.00	13.80	180.30	7,107.91	772.35	-769.31	-68.93	772.39	-0.029	-0.017	2.89	mwd
7,275.00	12.30	182.40	7,168.31	786.32	-783.30	-69.25	786.35	-0.024	0.034	2.54	mwd
7,339.00	11.60	182.80	7,230.92	799.57	-796.54	-69.85	799.59	-0.011	0.006	1.10	mwd
7,402.00	11.40	183.20	7,292.65	812.12	-809.08	-70.51	812.15	-0.003	0.006	0.34	mwd
7,466.00	10.80	182.10	7,355.46	824.44	-821.39	-71.08	824.46	-0.009	-0.017	0.99	mwd
7,530.00	11.30	183.50	7,418.27	836.70	-833.64	-71.68	836.71	0.008	0.022	0.89	mwd
7,594.00	11.90	186.00	7,480.96	849.56	-846.46	-72.75	849.58	0.009	0.039	1.22	mwd
7,657.00	12.20	184.90	7,542.57	862.71	-859.55	-74.00	862.73	0.005	-0.017	0.60	mwd
7,721.00	11.30	181.40	7,605.23	875.74	-872.56	-74.73	875.75	-0.014	-0.055	1.79	mwd
7,785.00	11.20	179.70	7,668.00	888.19	-885.04	-74.85	888.20	-0.002	-0.027	0.54	mwd
7,848.00	11.40	183.50	7,729.78	900.51	-897.38	-75.20	900.52	0.003	0.060	1.22	mwd
7,912.00	10.80	184.90	7,792.59	912.83	-909.66	-76.10	912.84	-0.009	0.022	1.03	mwd
7,975.00	10.80	184.50	7,854.47	924.64	-921.43	-77.07	924.65	0.000	-0.006	0.12	mwd
8,037.00	11.80	186.70	7,915.27	936.78	-933.52	-78.26	936.79	0.016	0.035	1.76	mwd
8,100.00	13.40	188.10	7,976.75	950.51	-947.14	-80.04	950.52	0.025	0.022	2.59	mwd
8,164.00	14.70	182.80	8,038.84	966.03	-962.59	-81.48	966.04	0.020	-0.083	2.86	mwd
8,227.00	15.70	179.60	8,099.63	982.51	-979.10	-81.81	982.52	0.016	-0.051	2.07	mwd

\* \* \* N A U T I C A L ( V e r s i o n 4 . 0 1 ) \* \* \*

Well: Indian Hills Unit 52

Target Azimuth: 184.55  
Target TVD: 8650

Closure Direction: 184

*Calculation Method - Minimum Curvature*

Measured Depth (ft)	Inclination (deg.)	Azimuth (deg.)	True Vertical Depth (ft)	Vertical Section (ft)	North/ South (ft)	East/ West (ft)	Closure (ft)	Build Rate (deg/ft)	Walk Rate (deg/ft)	Dogleg Severity (d/100')	Tool Face (deg)
8,289.00	15.90	179.30	8,159.29	999.32	-995.98	-81.65	999.33	0.003	-0.005	0.35	mwd
8,353.00	15.90	180.30	8,220.84	1,016.79	-1,013.52	-81.59	1,016.80	0.000	0.016	0.43	mwd
8,414.00	16.10	181.00	8,279.48	1,033.57	-1,030.33	-81.78	1,033.57	0.003	0.011	0.46	mwd
8,477.00	16.70	181.00	8,339.91	1,051.32	-1,048.11	-82.09	1,051.32	0.010	0.000	0.95	mwd
8,541.00	17.50	180.30	8,401.08	1,070.10	-1,068.93	-82.30	1,070.10	0.013	-0.011	1.29	mwd
8,603.00	17.70	182.50	8,460.18	1,088.81	-1,085.67	-82.76	1,088.82	0.003	0.035	1.12	mwd
8,667.00	18.40	184.20	8,521.03	1,108.64	-1,105.46	-83.93	1,108.64	0.011	0.027	1.37	mwd
8,709.00	18.80	183.90	8,560.84	1,122.03	-1,118.83	-84.87	1,122.04	0.010	-0.007	0.98	mwd
8,764.00	18.80	183.90	8,612.91	1,139.76	-1,136.51	-86.08	1,139.76	0.000	0.000	0.00	proj

30-015-32805-00-00

INDIAN HILLS UNIT No. 052

Company Name: MARATHON OIL CO

Location: Sec: 17 T: 21S R: 24E Spot:

String Information

Lat/Long:

Property Name: INDIAN HILLS UNIT

County Name: Eddy

Cement Information

Perforation Information

Formation Information

St Code	Formation	Depth
Psa	San Andres	1202
Pgl	Glorieta	2862
Py	Yeso Formation	3006
Pbs	Bone Spring	5146
Pbs3sd	3rd Bone Spring Sand	6795
Pwc	Wolfcamp	7203
Ppund	Pennsylvanian	8050

Hole: Unknown

TD: 0

TVD: 0

PBTD: 0

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

5  
Form C-104  
Revised March 25, 1999

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Submit to Appropriate District Office  
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator name and Address <b>Marathon Oil Company P.O. Box 3487 Houston, Texas 77253-3487</b>		2 OGRID Number <b>014021</b>
4 API Number <b>30-0 30-015-32805</b>		3 Reason for Filing Code <b>New Well</b>
5 Pool Name <b>Indian Basin Upper Perm Associated Gas Pool</b>	6 Pool Code <b>33685</b>	
7 Property Code <b>6409</b>	8 Property Name <b>Indian Hills Unit</b>	9 Well Number <b>52</b>

II. Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
7	17	21S	24E		1265	FSL	2073	FEL	EDDY

11 Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
7	17	21S	24E		128	FSL	2159	FEL	EDDY

12 Lse Code <b>F</b>	13 Producing Method Code <b>PUMPING</b>	14 Gas Connection Date <b>10/30/2003</b>	15 C-129 Permit Number	16 C-129 Effective Date	17 C-129 Expiration Date
-------------------------	--	---	------------------------	-------------------------	--------------------------

III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 POD	21 O/G	22 POD ULSTR Location and Description
138648	AMOCO PIPELINE TRUCKS 502 N. WEST AVENUE LEWELLAND, TEXAS 79336	2816323	OIL	UL "P" SECTION 19, T-21-S R-24-E LOT 12
14035	MARATHON OIL COMPANY P.O. BOX 1324 ARTESIA, NEW MEXICO 88211-1324	2823213	GAS	UL "P" SECTION 19, T-21-S, R-24-E LOT 12
				RECEIVED
				FEB 03 2004
				OCD-ARTESIA

IV. Produced Water

23 POD <b>2829027</b>	24 POD ULSTR Location and Description <b>UL "P", Lot 12, Section 19, T-21-S, R-24-E</b>
--------------------------	--

V. Well Completion Data

25 Spud Date	26 Ready Date	27 TD	28 PBTB	29 Perforations	30 DHC, MC
09/20/2003	10/30/2003	8764	8714		

31 Hole Size	32 Casing & Tubing Size	33 Depth Set	34 Sacks Cement
12.375	9.625	1832	875
8.750	7.00	8764	1405

VI. Well Test Data

35 Date New Oil	36 Gas Delivery Date	37 Test Date	38 Test Length	39 Tbg. Pressure	40 Csg. Pressure
10/31/2003	10/31/2003	11/03/2003	24	220	170

41 Choke Size	42 Oil	43 Water	44 Gas	45 AOF	46 Test Method
N/A	92	1620	901		PUMPING

47 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Charles E. Kendrick*

OIL CONSERVATION DIVISION  
Approved by: *Jim W. Green*

Printed name: **Charles E. Kendrick**

Title: **SUPERVISOR, DISTRICT II**

Title: **Engineer Technician**

Approval Date: **FEB 03 2004**

Date: **01/29/2003** Phone: **713-296-2096**

48 If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature Printed Name Title Date