

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FORM APPROVED

OMB NO. 1004-0137

Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

LC-064391-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____
 b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-FN PLUG BACK DIFF. RESVR. Other _____

7. UNIT AGREEMENT NAME
INDIAN HILLS UNIT
NM NM 70964X
8. FARM OR LEASE NAME, WELL NO.
INDIAN HILLS UNIT #18

2. NAME OF OPERATOR
Marathon Oil Company

3. ADDRESS AND TELEPHONE NO.
P.O. Box 552 Midland, TX 79702 915-682-1626

9. API WELL NO.
30-015-30564

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface
UL "0", 409' FSL and 2324' FEL, SECTION 20, T-21-S, R-24-E
At top prod. interval reported below
SAME AS ABOVE
At total depth
SAME AS ABOVE

10. FIELD AND POOL, OR WILDCAT
INDIAN BASIN UPPER PENN ASSOCIATED POOL
11. SEC., T., R., M, OR BLK. AND SURVEY OR AREA
SEC. 20, T-21-S, R-24-E

14. PERMIT NO. _____ DATE ISSUED _____
12. COUNTY OR PARISH EDDY 13. STATE NM

15. DATE SPUDDED 1/27/99 16. DATE T.D. REACHED 2/15/99 17. DATE COMPL. (Ready to prod.) 2/28/99 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* KB: 3755'; GL: 3739' 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 8160' (MD & TVD) 21. PLUG, BACK T.D., MD & TVD 8089' 22. IF MULTIPLE COMPL., HOW MANY* _____ 23. INTERVALS DRILLED BY _____ ROTARY TOOLS ALL CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*
UPPER PENN 7365'-7950' 25. WAS DIRECTIONAL SURVEY MADE NO

26. TYPE ELECTRIC AND OTHER LOGS RUN
Platform Express - Compensated neutron/NGT, Micro-CFL/NGT, CCL, GR & CAST CBL 27. WAS WELL CORED NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
14" CONDUCTOR		40'		SURFACE	
9-5/8", K-55	36 #	1208'	12-1/4"	555 SX. NO CIRCULATION	
7", K-55	23# & 26#	8120'	8-3/4"	400 SX FOAMED & 690 SX	75 SX CIRC.
1" ANNULUS				325 SX TO SURFACE. 18 SX CIRC	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	7241'	7251'

31. PERFORATION RECORD (Interval, size and number) 7480' - 7442', 7424' - 7366', 4 SPF	32. ACID SHOT FRACTURE CEMENT SQUEEZE, ETC.	
	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	7366' - 7480'	7850 GAL. 15% CCA SOUR HCL

33. PRODUCTION

DATE FIRST PRODUCTION 2/28/99 PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) FLOWING WELL STATUS (Producing or shut-in) PRODUCING

DATE OF TEST 3/10/99 HOURS TESTED 24 CHOKE SIZE 19/64 PROD'N. FOR TEST PERIOD _____ OIL - BBL 17 GAS - MCF. 2176 WATER - BBL 1886 GAS - OIL RATIO 128.000

FLOW. TUBING PRESS. 340 CASING PRESSURE 0 CALCULATED 24-HOUR RATE _____ OIL - BBL _____ GAS - MCF. _____ WATER - BBL _____ OIL GRAVITY - API (CORR.) 44.7

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SOLD

35. LIST OF ATTACHMENTS
LOGS & INCLINATION SURVEY

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.
SIGNED Ginny Larko TITLE Engineer Technician DATE 3/12/99

ACCEPTED FOR RECORD
[Signature]
APR 02 1999

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (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):

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
UPPER PENN	7365	7950	DOLOMITE, LIMESTONE, SHALE; GAS, OIL, WATER	SAN ANDRES	990	
				GLORIETA	2414	
				YESO	2526	
				3rd BONE SPR LIME	4834	
				3rd BONE SPR SAND	6552	
				WOLFCAMP SHALE	6592	
				UPPER PENN	7365	
				BASE DOLOMITE	7950	

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30 2000

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

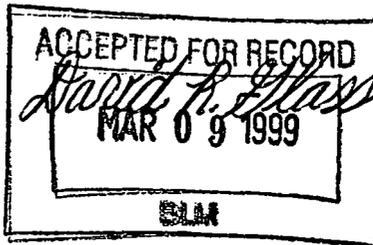
SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-064391-B
2. Name of Operator Marathon Oil Company		6. If Indian, Allottee or Tribe Name INDIAN HILLS UNIT
3a. Address P.O. Box 552 Midland, TX 79702	3b. Phone No. (include area code) 915/687-8356	7. If Unit or CA/Agreement, Name and/or No. INDIAN HILLS UNIT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 409' FSL & 2,324' FEL SEC. 20, T-21-S, R-28-E		8. Well Name and No. INDIAN HILLS UNIT 18
		9. API Well No. 30-015-30564
		10. Field and Pool, or Exploratory Area INDIAN BASIN - U. PENN
		11. County or Parish, State EDDY 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"/> 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 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 checked="" type="checkbox"/> Other SPUD/DRLGOPS

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 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/BLA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)
SEE ATTACHED FOR DETAIL



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) R. J. LONGMIRE	Title DRILLING SUPERINTENDENT
<i>R. J. Longmire</i>	Date 3/5/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant 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.

Marathon Oil Company

Indian Hills Unit #18
409' FSL & 2324' FEL
Section 20, T-21-S, R-24-E
Eddy County, N.M.
API # 30-015-30564

1/26/99, MIRU McVay # 4, Spud 12.25" hole @ 1200 hrs, 1/27/99. Drilled to 1210'. Ran 31 jts, 9.625", 36 #, K-55, STC casing to 1210', shoe @ 1209', Float collar @ 1172'. Cemented w/ 200 sx Thixset Wt-14.0, yield- 1.52, followed by 155 sx. Premium plus Wt -- 12.4, yield - 2.02. Tailed in w/ 200 sx premium plus neat, Wt 14.8, yield - 1.34. Did not circulate cement. WOC 5 hrs, tagged TOC @ 288'. Circulated cement after 5 - 1" stages w/ total of 325 sx neat cement. Welded on 9.625" SOW X 11" 3M casing head. Tested weld to 1500 psi. N.U. 11" 3M dual ram and annular BOPE, choke manifold and kill line. Tested BOPE to 3000/300 psi. Tested annular to 2000 psi. P.U. 8.75" bit and TIH to TOC @ 1150', tested casing to 1000 psi. Drilled shoe and formation to 8150' TD @ 1445 hrs 2/10/99. R.U. Schlumberger, ran Platform - Express w/ HALS/NGT 8063' - Surface.

Changed rams to 7", ran 71 jts, 26 #, K-55, 103 jts, 23 #, K-55, 2 jts, 26 #, K-55 LTC casing to 8120'. Shoe @ 8119', float collar @ 8072', D.V. @ 6271'. Cemented St.. stage w/ 200 sx Premium Plus w/ 350 Scf N2, Wt - 9.2, yield - 1.18. Tailed in w/ 200 sx Premium Plus foamed w/ 150 SCF N2, Wt - 13.2, yield 1.18. Set ECP & dropped bomb, opened D.V. tool @ 6271', circulated out gas and water. Cemented 2nd stage w/ 590 sx. Interfil "C" w/ .25 p.p.s. flocele, 3 p.p.s. Gilsonite, .2% Halad - 22, Wt - 11.9, yield - 2.47. Tailed in w 100 sx neat. Plug down @ 1345 hrs, 2/13/99. Circulated 100 sx to surface.

ND BOPE and set slips, NU 11" 3M X 7 1/16" 3M tubing spool. Tested seals to 1000 psi. Released rig @ 2000 hrs 2/13/99.

MARATHON OIL COMPANY			
Attachment to Form C-142			
INDIAN HILLS UNIT WELL NO. 18			
API NO. 30-015-30564			
Field	Working Interest Owners	Working Interest %	NRI %
Indian Hills Unit No. 6 & 18	MOC	99.54544	83.07133
Sec. 20, T-21-S, R-24-E	Nearburg Exploration	0.45456	0.38568
D. O. #8200505			