

**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.

NM 06293

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-EN PLUG BACK DIFF. RESVR. Other _____

7. UNIT AGREEMENT NAME
INDIAN HILLS UNIT

2. NAME OF OPERATOR
Marathon Oil Company

8. FARM OR LEASE NAME, WELL NO.
INDIAN HILLS UNIT #17

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

9. API WELL NO.
30-015-30661

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface
UL "B", 660' FNL & 2220' FEL
At top prod. interval reported below

At total depth

10. FIELD AND POOL, OR WILDCAT
INDIAN BASIN UPPER PENN ASSOCIATED GAS POOL

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SECTION 28, T-21-S, R-24-E

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

15. DATE SPUDDED 6/25/99 16. DATE T.D. REACHED 7/20/99 17. DATE COMPL. (Ready to prod.) 8/1/99 18. ELEVATIONS (DF, RKB, RT, OR, ETC.)* KB: 3681'; GL: 3664' 19. ELEV. CASINGHEAD _____

20. TOTAL DEPTH, MD & TVD 9750' 21. PLUG, BACK T.D., MD & TVD 8172' 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)*
7400' - 8002', UPPER PENN 25. WAS DIRECTIONAL SURVEY MADE NO

26. TYPE ELECTRIC AND OTHER LOGS RUN
NGR, MCFL/GR, NGR SPECTROSCOPY, CNT, CN/GR 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
9-5/8", K55	36#	1220'	12.25"	489 SX, CIRC 233 SX TO SURF.	
7", K55	23 & 26#	8200'	8.75"	415 SX FOAM, 660 SX CIRC 70SX	

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"	7804'	RBP-7811'

31. PERFORATION RECORD (Interval, size and number)
7406' - 7471', 7484' - 7500', 7528' - 7538', 7542' - 7558'
4 JSPF

32. ACID SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED
7406-7558' 12,000 GALS. 15% CCA SOUR HCl

33.* PRODUCTION

DATE FIRST PRODUCTION 8/5/99 PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) CENTRILIFT K-34, 190 HP SUBMERSIBLE PUMP WELL STATUS (Producing or shut-in) PRODUCING

DATE OF TEST 8/18/99 HOURS TESTED 24 CHOKER SIZE _____ PROD'N. FOR TEST PERIOD _____ OIL - BBL. 179 GAS - MCF. 7567 WATER - BBL. 4504 GAS - OIL RATIO 42.274

FLOW. TUBING PRESS. 0 CASING PRESSURE 300 CALCULATED 24-HOUR RATE _____ OIL - BBL. _____ GAS - MCF. _____ WATER - BBL. _____ OIL GRAVITY - API (CORR.) 41.3

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SOLD TEST WITNESSED BY _____

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 Larke TITLE Engineer Technician DATE 8/30/99

*(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	7400'	8002'	Dolomite. Limestone. Shale: Oil, Gas & Water	San Andres	750'	
				Glorietta	2390'	
				Yeso	2550'	
				Bone Spring	5095'	
				Bone Spring Sand	6586'	
				Wolfcamp	6710'	
				Upper Penn	7400'	

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

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

5. Lease Serial No.

NM-06293

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 17

9. API Well No.

30-015-30661

10. Field and Pool, or Exploratory Area

INDIAN BASIN - MORROW

11. County or Parish, State

EDDY 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

3a. Address

P.O. Box 552 Midland, TX 79702

3b. Phone No. (include area code)

915/687-8356

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**U.L. "B", 660' FNL & 2220' FEL
SEC. 28, T-21-S, R-24-E**

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

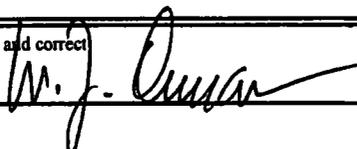
TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Spud & Drilg</u> |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>Operations</u> |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Coompleted Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)
See attached for detail.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

R. J. LONGMIRE



Title

DRILLING SUPERINTENDENT

Date **7/20/99**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant 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 # 17
660' FNL & 2220' FEL
Section 28, T-21-S, R-24-E
Eddy County, N.M.

API # 30-015-30661

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

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

ND BOPE and set slips, NU 11" 3M X 7 1/16" 3M tubing spool. Tested seals to 1000 psi.

Picked up 3.5" drill pipe & 4.75" collars. Drilled 4.75" hole to 9750'. Logged well.

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

Released rig @ 0900 hrs 7/21/99.

MARATHON OIL COMPANY
Attachment to Form C-142

INDIAN HILLS UNIT WELL NO. 17
API NO. 30-015-30661

Field	Working Interest Owners	Working Interest %	NRI %
Indian Hills Unit Wells #1, #8 #9, #10, #11, #12, #17 & #19 Sec. 21, 28, & 33 T-21-S, R-24-E D. O. #8200214	MOC Nearburg Exploration	99.54544 0.45456	83.07133 0.38562