

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC

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		5. Lease Serial No. NMNM06293
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3487 HOUSTON, TX 77253		7. If Unit or CA/Agreement, Name and/or No. NMNM70964A
3b. Phone No. (include area code) Ph: 713-296-2096		8. Well Name and No. INDIAN HILLS UNIT 17
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T21S R24E NWNE 660FNL 2220FEL		9. API Well No. 30-015-30661-00-S1
10. Field and Pool, or Exploratory INDIAN BASIN		11. County or Parish, and State EDDY COUNTY, NM

RECEIVED

JAN 10 2005

OCCUPANCY

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

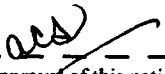
TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☒ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 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 site is ready for final inspection.)

Marathon intends to drill a horizontal lateral in the Upper Penn formation. Currently the well is a vertical completion in the Upper Penn w/ perforations from 7502'- 7780'. Marathon plans to squeeze old perforations w/ 150 sks. of cement. Marathon will cut a window in the 7" casing @ +/- 7630', and drill a 4.75" horizontal lateral hole to at TL location of 1960' FNL & 2550' FEL of same section and producing interval. Well will be a open hole completion. Attached please find C-102 and directional plan.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #52627 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by LINDA ASKWIG on 01/05/2005 (05LA0230SE)	
Name (Printed/Typed) MIKE MICK	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/05/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ALEXIS C SWOBODA 	Title PETROLEUM ENGINEER	Date 01/06/2005
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 **

DISTRICT I
P.O. Box 1988, Hobbs, NM 88241-1988

DISTRICT II
P.O. Drawer 88, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Grande Rd., Artesia, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 18, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30661	Pool Code 79040	Pool Name INDIAN BASIN UPPER PENN. ASSOC.
Property Code 6409	Property Name INDIAN HILLS UNIT	Well Number 17
OGED No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 3664'

Surface Location

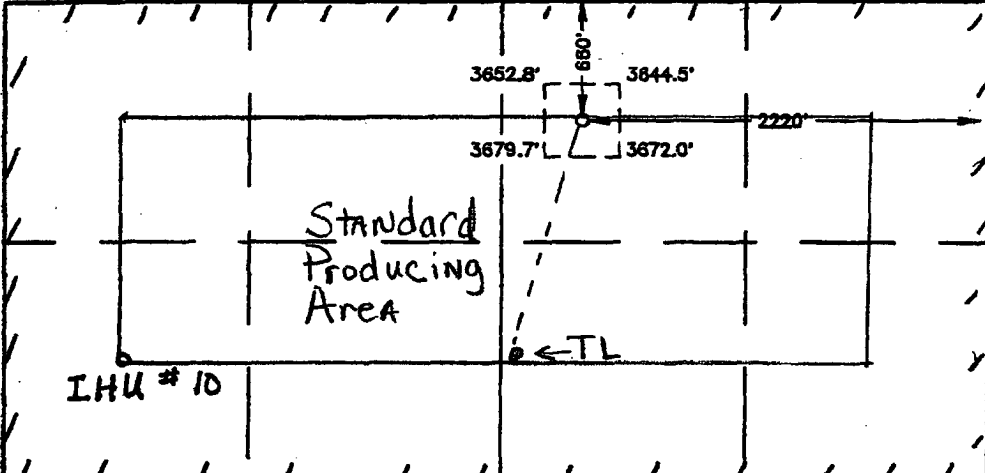
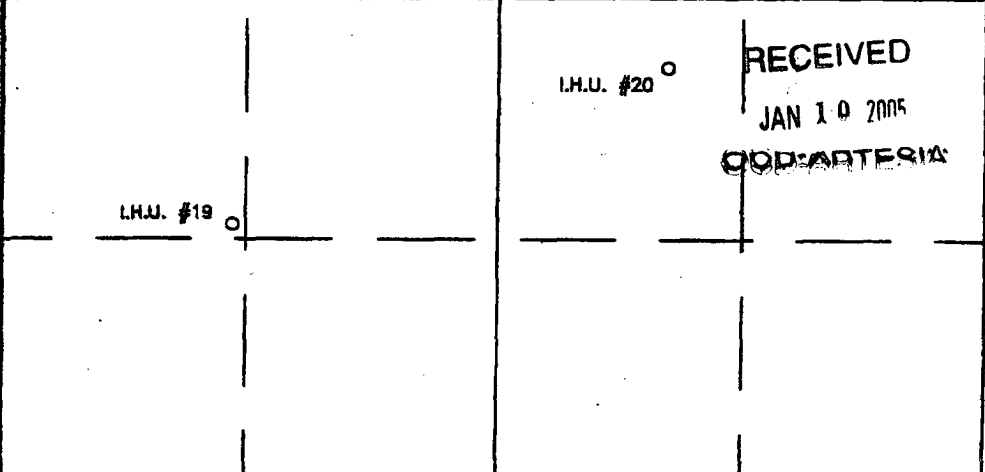
UL or lot No. B	Section 28	Township 21 S	Range 24 E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 2220	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section 28	Township 21 S	Range 24 E	Lot Idn	Feet from the 1960	North/South line North	Feet from the 2550	East/West line EAST	County EDDY
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Dedicated Acres 320 N/2	Joint or Infill	Consolidation Code	Order No.
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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. m7mick Signature Mike Mick Printed Name Adv. Sr. Eng. Tech Title 1-5-05 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. JANUARY 28, 1999 Date Surveyed CDG Signature RONALD E. EDSON Professional Seal 1-29-99 Certificate No. RONALD E. EDSON 3239 GARY EDSON 12841	

Marathon Oil Company
Indian Hills Unit #17

slot #1
INDIAN BASIN
Eddy County New Mexico

P R O P O S A L L I S T I N G

by
Baker Hughes INTEQ

Your ref : Plan 1 Horizontal
Our ref : prop4420
License :

Date printed : 8-Dec-2004
Date created : 8-Dec-2004
Last revised : 8-Dec-2004

Field is centred on 445535.500,521332.200,-105.00000,N
Structure is centred on 445535.500,521332.200,-105.00000,N

Slot location is n32 25 59.274,w104 30 35.507
Slot Grid coordinates are N 521332.200, E 445535.500
Slot local coordinates are 0.00 N 0.00 E

Projection type: mercator - New Mexico East (3001), Spheroid: Clarke - 1866

Reference North is Grid North

Marathon Oil Company
Indian Hills Unit #17, slot #1
INDIAN BASIN, Eddy County New Mexico

PROPOSAL LISTING Page 1
Your ref : Plan 1 Horizontal
Last revised : 8-Dec-2004

Measured Depth	Inclin Degrees	Azimuth Degrees	True Vert Depth	R E C T A N G U L A R C O O R D I N A T E S		Dogleg Deg/100ft	Vert Sect	G R I D Easting	C O O R D S Northing
0.00	0.00	197.10	0.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
500.00	0.00	197.10	500.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
1000.00	0.00	197.10	1000.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
1500.00	0.00	197.10	1500.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
2000.00	0.00	197.10	2000.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
2500.00	0.00	197.10	2500.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
3000.00	0.00	197.10	3000.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
3500.00	0.00	197.10	3500.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
4000.00	0.00	197.10	4000.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
4500.00	0.00	197.10	4500.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
5000.00	0.00	197.10	5000.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
5500.00	0.00	197.10	5500.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
6000.00	0.00	197.10	6000.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
6500.00	0.00	197.10	6500.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
7000.00	0.00	197.10	7000.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
7500.00	0.00	197.10	7500.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
7630.00	0.00	197.10	7630.00	0.00N	0.00E	0.00	0.00	445535.50	521332.20
7730.00	54.54	197.10	7715.57	42.16S	12.97W	54.54	44.11	445522.53	521290.04
7798.31	91.80	197.10	7735.00	103.56S	31.86W	54.54	108.35	445503.64	521228.64
7800.00	91.80	197.10	7734.95	105.17S	32.36W	0.00	110.04	445503.14	521227.03
7900.00	91.80	197.10	7731.80	200.70S	61.75W	0.00	209.99	445473.75	521131.50
8000.00	91.81	197.10	7728.65	296.23S	91.14W	0.00	309.94	445444.36	521035.97
8100.00	91.81	197.10	7725.49	391.76S	120.53W	0.00	409.89	445414.97	520940.44
8200.00	91.82	197.10	7722.32	487.30S	149.92W	0.00	509.84	445385.58	520844.90
8300.00	91.82	197.10	7719.14	582.82S	179.31W	0.00	609.79	445356.19	520749.38
8400.00	91.83	197.10	7715.95	678.35S	208.71W	0.00	709.73	445326.79	520653.85
8500.00	91.83	197.10	7712.76	773.88S	238.10W	0.00	809.68	445297.40	520558.32
8600.00	91.84	197.10	7709.55	869.41S	267.50W	0.00	909.63	445268.00	520462.79
8700.00	91.84	197.10	7706.34	964.94S	296.89W	0.00	1009.58	445238.61	520367.26
8800.00	91.85	197.10	7703.12	1060.47S	326.29W	0.00	1109.53	445209.21	520271.73
8900.00	91.85	197.10	7699.89	1155.99S	355.68W	0.00	1209.48	445179.82	520176.21
9000.00	91.86	197.11	7696.65	1251.52S	385.08W	0.00	1309.42	445150.42	520080.68
9050.75	91.86	197.11	7695.00	1300.00S	400.00W	0.00	1360.15	445135.50	520032.20

All data in feet unless otherwise stated. Calculation uses minimum curvature method.
Coordinates from structure and TVD from rotary table.
Bottom hole distance is 1360.15 on azimuth 197.10 degrees from wellhead.
Vertical section is from N 0.00 E 0.00 on azimuth 197.10 degrees.
Grid is mercator - New Mexico East (3001).
Grid coordinates in FEET and computed using the Clarke - 1866 spheroid
Presented by Baker Hughes INTEQ

Marathon Oil Company
Indian Hills Unit #17, slot #1
INDIAN BASIN, Eddy County New Mexico

PROPOSAL LISTING Page 2
Your ref : Plan 1 Horizontal
Last revised : 8-Dec-2004

Comments in wellpath =====			
MD	TVD	Rectangular Coords.	Comment
7798.31	7735.00	103.56S	31.86W End of curve
9050.75	7695.00	1300.00S	400.00W TD

Targets associated with this wellpath =====				
Target name	Geographic Location	T.V.D.	Rectangular Coordinates	Revised
End of curve		7735.00	103.56S 31.86W	8-Dec-2004
TD		7695.00	1300.00S 400.00W	8-Dec-2004

Marathon Oil Company					Created by adrynm Date plotted : 8-Dec-2004 Plot Reference is Plan 1 horizontal. Coordinates are in feet reference structure. True Vertical Depths are reference structure				
Structure : Indian Hills Unit #17			Slot : slot #1						
Field : INDIAN BASIN			Location : Eddy County New Mexico			--- Baker Hughes INTEQ ---			
----- WELL PROFILE DATA -----									
----- Point -----	MD	Inc	Dir	TVD	North	East	V. Sect	Deg/100	
Tie on	0.00	0.00	197.10	0.00	0.00	0.00	0.00	0.00	
KOP	7630.00	0.00	197.10	7630.00	0.00	0.00	0.00	0.00	
Target End of curve	7798.31	91.80	197.10	7735.00	-103.56	-31.86	108.35	54.54	
T.D. & Target TD	9050.75	91.86	197.11	7695.00	-1300.00	-400.00	1360.15	0.00	

**BAKER
HUGHES**
INTEQ

M

