

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.

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. NMNM07260
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. NMNM70964X
3b. Phone No. (include area code) Ph: 713-296-2096 Fx: 713-499-6750		8. Well Name and No. INDIAN HILLS UNIT 59
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T21S R24E NENE Lot 1 1117FNL 641FEL 32.28072 N Lat, 104.30515 W Lon		9. API Well No. 30-015-33759-00-X1
10. Field and Pool, or Exploratory UPPER PENN		11. County or Parish, and State EDDY COUNTY, NM

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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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug and Abandon
	<input checked="" type="checkbox"/> Water Disposal
	<input type="checkbox"/> Plug Back
	<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 the East Indian Basin Production Facility where it will be sent via pipeline to one of the well isted 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 #54076 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by LINDA ASKWIG on 02/14/2005 (05LA0390SE)	
Name (Printed/Typed) CHARLES E KENDRIX	Title ENGINEERING TECHNICIAN
Signature (Electronic Submission)	Date 02/14/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LES BABYAK	Title PETROLEUM ENGINEER	Date 02/16/2005
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.