

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources

Form C-105
Revised June 10, 2003

District I
1625 N. French, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.
30-015-34102
5. Indicate Type Of Lease
STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
V-0993

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 ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER **RECEIVED**
2. Name of Operator **MARATHON OIL COMPANY** JAN 30 2006
3. Address of Operator **P.O. Box 3487 Houston, TX 77253-3487** OCT 2006
7. Lease Name or Unit Agreement Name
Indian Basin "32" State
8. Well No.
9
9. Pool name or Wildcat
Indian Basin U. Penn Assoc. (33685)

4. Well Location
Unit Letter **J** : **1958'** Feet From The **South** Line and **1652'** Feet From The **East** Line
Section **32** Township **21-S** Range **24-Eq** NMPM **Eddy** County

10. Date Spudded 07/05/2005	11. Date T.D. Reached 08/31/2005	12. Date Compl. (Ready to Prod.) 10/18/2005	13. Elevations (DF & RKB, RT, GR, etc.) 4220' GR	14. Elev. Casinghead
15. Total Depth 8640' MD	16. Plug Back T.D. 8598' MD	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By All	Rotary Tools All Cable Tools N/A
19. Producing Interval(s), of this completion - Top, Bottom, Name 7954'-8547' Upper Penn				20. Was Directional Survey Made Yes
21. Type Electric and Other Logs Run Compensated Spectral Natural Gamma Ray, Dual Spaced Neutron				22. Was Well Cored No

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

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36 #	1671'	12 1/4"	1220 sks	
7"	23 & 26 3	8620'	8 3/4"	1045 sks	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8"	8596	N/A

25. TUBING RECORD

26. Perforation record (interval, size, and number)

Please see attachment for Perforation details.

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
7954'-8547'	40,000 gals CCA sour acid

28. PRODUCTION

Date First Production 10/19/2005		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping				Well Status (Prod. or Shut-in) Producing	
Date of Test 10/29/2005	Hours Tested 24	Choke Size N/A	Prod'n For Test Period	Oil - Bbl. 27	Gas - MCF 427	Water - Bbl. 750	Gas - Oil Ratio 15,815
Flow Tubing Press. 300	Casing Pressure 110	Calculated 24-Hour Rate	Oil - Bbl. 27	Gas - MCF 427	Water - Bbl. 750	Oil Gravity - API -(Corr.) 37.0	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold						Test Witnessed By Jerry Harrison	

30. List Attachments

Compensated Spectral Natural Gamma Ray, Dual Spaced Neutron, WBD, Deviation Survey, Incl. Report

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature **Charles E. Kendrix** Printed Name **Charles E. Kendrix** Title **Engineering Tech** Date **01/25/2006**
E-mail address **cekendrix@marathonoil.com**

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northeastern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 2707'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs 5036'	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp 7362'		T. Chinle	T.
T. Penn	T. YESO 2887'	T. Permain	T.
T. Cisco (Bough C) 7950,	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from -----	to -----	No. 3, from -----	to -----
No. 2, from -----	to -----	No. 4, from -----	to -----

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from	to	feet
No. 2, from	to	feet
No. 3, from	to	feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

WELL NAME AND NUMBER Indian Basin State 32 No. 9
LOCATION 900' FSL & 2150' FWL, Section 32, T21S, R24E, Eddy County NM
OPERATOR Marathon Oil Company
DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/2° 489'</u>	<u> </u>	<u> </u>
<u>3/4° 1031'</u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Drilling Contractor United Drilling, Inc.

By: George A. Aho

George A. Aho

Title: Business Manager

Subscribed and sworn to before me this 27th day of July,
2005.

Carlue Martin

Notary Public

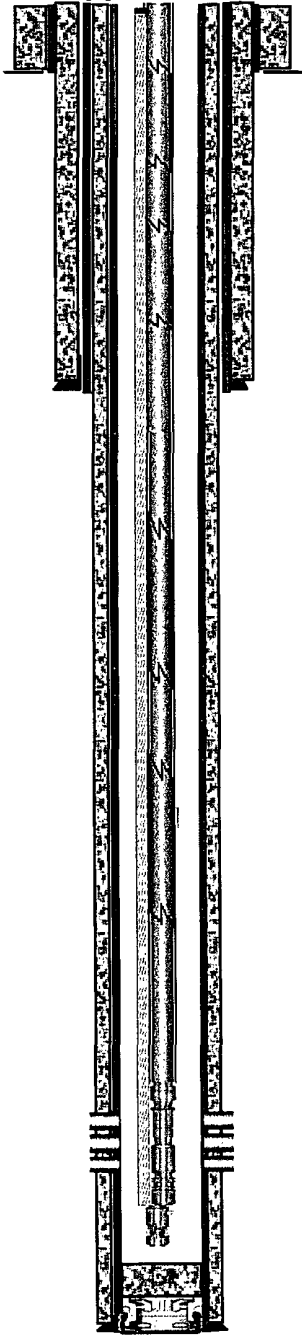
My Commission Expires: 10-08-08

Chaves New Mexico
County State



Indian Basin "32" State No. 9 (Directional Well)
Indian Basin Upper Penn Associated

Marathon Oil Company
Indian Basin "32" State No. 9
25-Jan-06



GL elev. 4220'
17 1/2" hole to 440'
20' conductor pipe set to 40'
13 3/8" conductor pipe set to 295'
cmt'd w/ 840 sks

Surface Casing 12 1/4" " Hole f/ 440' to 1671'
9 5/8" 36# set @ 1671' Cmt'd w/ 1220 sks

Upper Penn Perfs @ 7954'-8547'

Intake on ESP @ 8596'

7" casing @ 8620'MD cemented w/ 1045 sks

PBTD 8598' MD
TD 8620' MD

Well Name & Number:	Indian Basin "32" State No. 9		Lease	V-0993	
County or Parish:	Eddy	State/Prov.	New Mexico	Country:	USA
Perforations: (MD)	7954' - 8547'		(TVD)	8620 MD 8330 TVD	
Date Completed:	10/18/05			RKB:	
Prepared By:	Charles Kendrix		Last Revision Date:	01/26/06	

Marathon Oil Company
Indian Basin "32" State #9

slot #1
INDIAN BASIN
Eddy County New Mexico

S U R V E Y L I S T I N G

by
Baker Hughes INTEQ

Your ref : MWD
Our ref : svy2544
License :

Date printed : 10-Jan-2006
Date created : 5-Apr-2004
Last revised : 10-Jan-2006

Field is centred on 445535.500,521332.200,-105.00000,N
Structure is centred on 443197.700,521524.800,999.00000,N

Slot location is n32 26 1.141,w104 31 2.789
Slot Grid coordinates are N 521524.800, E 443197.700
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 Basin "32" State #9,slot #1
INDIAN BASIN,Eddy County New Mexico

SURVEY LISTING Page 1
Your ref : MWD
Last revised : 10-Jan-2006

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
1700.00	0.60	307.50	1699.59	2.18N	25.24W	0.00	19.98	443172.46	521526.98
1801.00	0.70	280.30	1800.58	2.61N	26.27W	0.32	20.61	443171.43	521527.41
1833.00	0.70	281.10	1832.58	2.68N	26.65W	0.03	20.89	443171.05	521527.48
1897.00	1.70	244.10	1896.57	2.35N	27.89W	1.90	22.11	443169.81	521527.15
1929.00	2.30	237.50	1928.55	1.79N	28.86W	2.01	23.23	443168.84	521526.59
1991.00	3.40	232.90	1990.47	0.02N	31.37W	1.81	26.31	443166.33	521524.82
2022.00	3.80	231.50	2021.41	1.18S	32.91W	1.32	28.25	443164.79	521523.62
2085.00	4.80	231.30	2084.23	4.13S	36.60W	1.59	32.95	443161.10	521520.67
2116.00	5.10	231.20	2115.12	5.80S	38.69W	0.97	35.61	443159.01	521519.00
2148.00	5.50	232.20	2146.98	7.63S	41.01W	1.28	38.55	443156.69	521517.17
2180.00	6.20	231.90	2178.81	9.64S	43.58W	2.19	41.80	443154.12	521515.16
2211.00	6.80	232.90	2209.61	11.78S	46.36W	1.97	45.30	443151.34	521513.02
2243.00	7.20	233.30	2241.37	14.12S	49.48W	1.26	49.19	443148.22	521510.68
2274.00	8.00	232.90	2272.10	16.58S	52.76W	2.59	53.28	443144.94	521508.22
2306.00	8.60	232.90	2303.77	19.37S	56.44W	1.88	57.89	443141.26	521505.43
2338.00	9.30	233.60	2335.38	22.35S	60.43W	2.21	62.85	443137.27	521502.45
2370.00	10.00	233.60	2366.92	25.53S	64.75W	2.19	68.21	443132.95	521499.27
2400.00	10.50	234.30	2396.44	28.67S	69.06W	1.72	73.54	443128.64	521496.13
2431.00	11.00	234.60	2426.90	32.03S	73.77W	1.62	79.32	443123.93	521492.77
2463.00	11.60	235.70	2458.28	35.61S	78.92W	1.99	85.58	443118.78	521489.19
2495.00	12.20	236.70	2489.59	39.28S	84.40W	1.98	92.18	443113.30	521485.52
2526.00	13.10	236.70	2519.84	43.01S	90.07W	2.90	98.97	443107.63	521481.79
2558.00	14.10	236.40	2550.94	47.16S	96.35W	3.13	106.49	443101.35	521477.64
2589.00	14.60	236.70	2580.97	51.39S	102.76W	1.63	114.18	443094.94	521473.41
2621.00	15.10	235.70	2611.90	55.95S	109.58W	1.76	122.38	443088.12	521468.85
2652.00	16.10	236.10	2641.76	60.63S	116.48W	3.24	130.71	443081.22	521464.17
2683.00	17.10	236.40	2671.47	65.55S	123.84W	3.24	139.57	443073.86	521459.25
2714.00	17.70	236.10	2701.05	70.70S	131.55W	1.96	148.84	443066.15	521454.10
2746.00	18.00	236.10	2731.51	76.17S	139.69W	0.94	158.64	443058.01	521448.63
2809.00	17.90	236.10	2791.44	87.00S	155.81W	0.16	178.06	443041.89	521437.80
2871.00	17.50	236.10	2850.51	97.51S	171.45W	0.65	196.90	443026.25	521427.29
2902.00	17.10	235.40	2880.11	102.70S	179.07W	1.45	206.12	443018.63	521422.10
2966.00	17.80	235.00	2941.16	113.65S	194.83W	1.11	225.30	443002.87	521411.15
3030.00	17.90	234.00	3002.08	125.05S	210.80W	0.50	244.90	442986.90	521399.75
3093.00	17.30	235.00	3062.13	136.11S	226.31W	1.07	263.93	442971.39	521388.69
3156.00	17.20	235.40	3122.30	146.77S	241.65W	0.25	282.60	442956.05	521378.03
3220.00	17.50	235.70	3183.39	157.57S	257.39W	0.49	301.68	442940.31	521367.23
3282.00	17.40	236.40	3242.53	167.95S	272.81W	0.38	320.27	442924.89	521356.85
3345.00	17.40	237.80	3302.65	178.18S	288.63W	0.66	339.11	442909.07	521346.62
3408.00	17.10	237.10	3362.82	188.23S	304.37W	0.58	357.79	442893.33	521336.57
3471.00	17.70	237.10	3422.93	198.47S	320.19W	0.95	376.63	442877.51	521326.33
3535.00	18.30	236.80	3483.80	209.25S	336.77W	0.95	396.41	442860.93	521315.55
3598.00	18.30	237.50	3543.61	219.98S	353.39W	0.35	416.19	442844.31	521304.82
3660.00	17.70	238.50	3602.58	230.14S	369.63W	1.09	435.34	442828.07	521294.66
3723.00	16.90	240.60	3662.73	239.64S	385.78W	1.61	454.06	442811.92	521285.16
3787.00	16.30	238.90	3724.06	248.84S	401.57W	1.21	472.32	442796.13	521275.96
3850.00	16.40	237.80	3784.51	258.15S	416.67W	0.52	490.05	442781.03	521266.65
3914.00	17.00	237.10	3845.82	268.05S	432.17W	0.99	508.44	442765.53	521256.75
3977.00	16.90	236.80	3906.08	278.06S	447.56W	0.21	526.80	442750.14	521246.74
4040.00	17.00	236.40	3966.34	288.17S	462.90W	0.24	545.17	442734.80	521236.63

Marathon Oil Company
Indian Basin "32" State #9, slot #1
INDIAN BASIN, Eddy County New Mexico

SURVEY LISTING Page 2
Your ref : MWD
Last revised : 10-Jan-2006

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 C O O R D S Easting Northing	
4109.00	17.10	236.80	4032.31	299.31S	479.79W	0.22	565.40	442717.91	521225.49
4172.00	17.70	236.80	4092.43	309.63S	495.55W	0.95	584.24	442702.15	521215.17
4236.00	17.90	238.20	4153.36	320.14S	512.05W	0.74	603.80	442685.65	521204.66
4299.00	17.70	239.20	4213.35	330.14S	528.51W	0.58	623.05	442669.19	521194.66
4362.00	17.50	239.90	4273.40	339.80S	544.93W	0.46	642.08	442652.77	521185.00
4425.00	17.70	240.60	4333.45	349.25S	561.47W	0.46	661.10	442636.23	521175.55
4488.00	17.80	241.30	4393.45	358.57S	578.26W	0.37	680.26	442619.44	521166.23
4552.00	18.30	242.40	4454.30	367.93S	595.74W	0.95	700.02	442601.96	521156.87
4615.00	17.60	240.70	4514.23	377.17S	612.81W	1.39	719.37	442584.89	521147.63
4678.00	16.90	238.50	4574.40	386.62S	628.93W	1.52	738.03	442568.77	521138.18
4741.00	16.70	238.50	4634.71	396.13S	644.45W	0.32	756.23	442553.25	521128.67
4805.00	17.10	238.50	4695.95	405.85S	660.32W	0.63	774.83	442537.38	521118.95
4868.00	17.20	238.20	4756.15	415.60S	676.13W	0.21	793.41	442521.57	521109.20
4930.00	17.40	237.70	4815.34	425.38S	691.76W	0.40	811.84	442505.94	521099.42
4994.00	17.80	237.50	4876.35	435.75S	708.10W	0.63	831.19	442489.60	521089.05
5057.00	18.40	237.50	4936.23	446.27S	724.60W	0.95	850.76	442473.10	521078.53
5121.00	17.80	237.50	4997.06	456.95S	741.37W	0.94	870.64	442456.33	521067.85
5184.00	17.30	236.80	5057.13	467.26S	757.33W	0.86	889.64	442440.37	521057.54
5247.00	17.30	236.40	5117.28	477.57S	772.97W	0.19	908.38	442424.73	521047.23
5311.00	17.40	236.10	5178.37	488.17S	788.84W	0.21	927.46	442408.86	521036.63
5374.00	17.40	235.10	5238.48	498.81S	804.39W	0.47	946.29	442393.31	521025.99
5438.00	18.10	235.00	5299.44	509.99S	820.38W	1.09	965.79	442377.32	521014.81
5501.00	18.30	235.00	5359.28	521.28S	836.50W	0.32	985.46	442361.20	521003.52
5564.00	17.90	234.70	5419.17	532.55S	852.50W	0.65	1005.02	442345.20	520992.25
5628.00	18.00	235.00	5480.05	543.90S	868.63W	0.21	1024.73	442329.07	520980.90
5692.00	18.20	235.40	5540.88	555.25S	884.95W	0.37	1044.60	442312.75	520969.55
5755.00	17.80	236.10	5600.80	566.21S	901.05W	0.72	1064.06	442296.65	520958.59
5819.00	17.70	238.90	5661.76	576.69S	917.50W	1.34	1083.57	442280.20	520948.11
5882.00	17.60	238.90	5721.79	586.55S	933.85W	0.16	1102.66	442263.85	520938.25
5945.00	17.80	238.90	5781.81	596.45S	950.25W	0.32	1121.80	442247.45	520928.35
6008.00	17.80	238.90	5841.79	606.40S	966.74W	0.00	1141.05	442230.96	520918.40
6071.00	17.50	237.80	5901.83	616.42S	983.00W	0.71	1160.15	442214.70	520908.38
6133.00	17.90	237.50	5960.89	626.50S	998.93W	0.66	1178.99	442198.77	520898.30
6196.00	18.30	237.10	6020.77	637.08S	1015.40W	0.66	1198.57	442182.30	520887.72
6260.00	18.70	237.50	6081.47	648.05S	1032.49W	0.66	1218.87	442165.21	520876.75
6323.00	18.70	236.80	6141.14	659.01S	1049.46W	0.36	1239.07	442148.24	520865.79
6387.00	18.50	236.40	6201.80	670.24S	1066.50W	0.37	1259.48	442131.20	520854.56
6450.00	18.30	236.80	6261.58	681.19S	1083.10W	0.38	1279.37	442114.60	520843.61
6514.00	18.30	236.80	6322.34	692.19S	1099.92W	0.00	1299.47	442097.78	520832.61
6578.00	18.50	236.40	6383.07	703.31S	1116.78W	0.37	1319.67	442080.92	520821.49
6640.00	18.90	236.40	6441.79	714.31S	1133.34W	0.65	1339.54	442064.36	520810.49
6703.00	18.80	236.40	6501.42	725.58S	1150.29W	0.16	1359.90	442047.41	520799.22
6765.00	18.80	236.40	6560.11	736.64S	1166.93W	0.00	1379.88	442030.77	520788.16
6829.00	18.70	237.10	6620.71	747.92S	1184.14W	0.38	1400.45	442013.56	520776.88
6892.00	18.60	237.10	6680.40	758.86S	1201.05W	0.16	1420.59	441996.65	520765.94
6955.00	19.10	238.50	6740.03	769.70S	1218.28W	1.07	1440.95	441979.42	520755.10
7018.00	18.40	237.80	6799.68	780.39S	1235.48W	1.17	1461.19	441962.22	520744.41
7082.00	17.80	236.80	6860.51	791.12S	1252.21W	1.06	1481.07	441945.49	520733.68
7145.00	18.00	237.80	6920.46	801.58S	1268.51W	0.58	1500.44	441929.19	520723.22
7209.00	18.50	238.10	6981.25	812.22S	1285.49W	0.79	1520.48	441912.21	520712.58

Marathon Oil Company
Indian Basin "32" State #9, slot #1
INDIAN BASIN, Eddy County New Mexico

SURVEY LISTING Page 3
Your ref : MWD
Last revised : 10-Jan-2006

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 C O O R D S Easting Northing	
7271.00	18.50	238.50	7040.04	822.56S	1302.23W	0.20	1540.14	441895.47	520702.24
7334.00	18.70	237.80	7099.75	833.16S	1319.30W	0.48	1560.23	441878.40	520691.64
7398.00	19.20	238.20	7160.28	844.17S	1336.93W	0.81	1581.01	441860.77	520680.63
7461.00	18.90	237.10	7219.83	855.17S	1354.30W	0.74	1601.57	441843.40	520669.63
7525.00	18.30	234.70	7280.49	866.61S	1371.20W	1.52	1621.98	441826.50	520658.19
7587.00	17.80	231.20	7339.44	878.17S	1386.53W	1.93	1641.13	441811.17	520646.63
7648.00	17.50	228.70	7397.57	890.07S	1400.69W	1.34	1659.49	441797.01	520634.73
7710.00	17.10	228.30	7456.76	902.29S	1414.50W	0.67	1677.72	441783.20	520622.51
7771.00	16.80	230.10	7515.12	913.91S	1427.96W	0.99	1695.34	441769.74	520610.89
7833.00	17.90	232.20	7574.29	925.49S	1442.36W	2.04	1713.73	441755.34	520599.31
7895.00	17.40	233.20	7633.38	936.89S	1457.31W	0.94	1732.47	441740.39	520587.91
7956.00	15.90	234.60	7691.82	947.19S	1471.43W	2.55	1749.92	441726.27	520577.61
8620.00	15.90	234.60	8330.41	1052.57S	1619.71W	0.00	1931.67	441577.99	520472.23

8620 is a projection.

All data in feet unless otherwise stated. Calculation uses minimum curvature method.

Coordinates from slot #1 and TVD from rotary table.

Bottom hole distance is 1931.67 on azimuth 236.98 degrees from wellhead.

Vertical section is from N 0.00 E 0.00 on azimuth 237.01 degrees.

Grid is mercator - New Mexico East (3001).

Grid coordinates in FEET and computed using the Clarke - 1866 spheroid

Presented by Baker Hughes INTEQ