

UNITED STATES
DEPARTMENT OF THE INTERIOR **OCD-ARTESIA**
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other						5. Lease Serial No. NMNM07260			
b. Type of Completion: <input type="checkbox"/> New Well <input checked="" type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other <u>Horizontal Completion</u>						6. If Indian, Allottee or Tribe Name			
2. Name of Operator Marathon Oil Company						7. Unit or CA Agreement Name and No. NMNM70964A			
3. Address P.O. Box 3487 Houston, TX 77253-3487				3a. Phone No. (include area code) 713-296-2096		8. Lease Name and Well No. Indian Hills Unit No. 8			
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1182' FSL & 1545' FWL, Sec 33, T-21-S, R-24-E At top prod. interval reported below 1182' FSL & 1545' FWL, Sec 33 At total depth 756' FSL & 2418' FWL, Sec 33						9. API Well No. 30-015-28590 *			
14. Date Spudded 08/03/1995						15. Date T.D. Reached 10/08/2004		10. Field and Pool, or Exploratory Indian Basin Upper Penn Assoc.	
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/30/2004						11. Sec., T., R., M., or Block and Survey or Area Sec 33, T-21-S, R-24-E			
18. Total Depth: MD TVD 9255' 8107'				19. Plug Back T.D.: MD TVD 9255' 8107'		12. County or Parish Eddy		13. State NM	
20. Depth Bridge Plug Set: MD TVD						17. Elevations (DF, RKB, RT, GL)* 4090' GL			
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) No Logs ran for lateral						22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy)			
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	9 5/8"	36#	0	2096		1464 Class C		0	
8 3/4"	7"	26 & 23	0	8360	6285	1 stage 400			
						2 stage 825		1000'	
4 3/4"	OH		8041'	9255'					
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2 7/8"	8107'	N/A							
25. Producing Intervals					26. Perforation Record				
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) Upper Penn	7688'	8350'	7688'-7864'	0.380	568	open			
B) Upper Penn	7688'	8350'	8041'-9255' 8107 TVD			4 3/4" open hole			
C)									
D)									
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.									
Depth Interval *		Amount and Type of Material							
7688-7864 SI		22,000 gals 15% HCL acid							
8041'-9255' OH 6151		21,000 glas 15% HCL acid							
RECEIVED APR 21 2006 OCD-ARTESIA									
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
10/31/04	12/19/04	24	→	33	16	527			Pumping
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	ACCEPTED FOR RECORD ALEXIS C. SWOBODA PETROLEUM ENGINEER
N/A	SI 280	140	→	33	16	527	485	Active	
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
			→						APR 18 2006
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
SI			→						

(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

28c. Production-Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

29. Disposition of Gas (*Sold, used for fuel, vented, etc.*)

Sold

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
					<div style="writing-mode: vertical-rl; transform: rotate(180deg);"> RECEIVED BUREAU OF LAND MGMT CARLSBORO FIELD OFFICE 2006 APR 13 PM 1:18 </div>

32. Additional remarks (include plugging procedure):

The perforations above the open hole were re-shot after the lateral was completed and they are open to production in addition to the lateral drill section.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd)
☐ Geologic Report
☐ DST Report
☒ Directional Survey
☐ Sundry Notice for plugging and cement verification
☐ Core Analysis
☒ Other

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Charles E. KendrixTitle Regulatory Compliance Representative

Signature

Charles E. KendrixDate 04/10/2006

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.