

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. **RECEIVED**

| | | | |
|--|---|--|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | MAR - 4 2004 | 8. Well Name and No. N INDIAN BASIN 23 |
| 2. Name of Operator MARATHON OIL COMPANY | | Contact: MIKE MICK E-Mail: mfmick@marathonoil.com | 9. API Well No. 30-015-28578-00-S1 |
| 3a. Address P O BOX 3487 HOUSTON, TX 77253-3487 | 3b. Phone No. (include area code) Ph: 713.629.6600 Ext: 3254 Fx: 713.499.6748 | | 10. Field and Pool, or Exploratory S DAGGER DRAW |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 2 T21S R23E NWNW 760FNL 760FWL | | | 11. County or Parish, and State EDDY COUNTY, NM |

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

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

Marathon Oil Co. intends to deepen this well to the Morrow. Deepening operations will require construction of reserve pit. Marathon request constructing a 50' X 50'(2,500sq. ft.) reserve pit at the site of the original approved reserve pit which was 125' X 125'(15,625 sq. ft.). No new disturbance area. Cuttings removed from original pit during construction will be stockpiled on a liner to prevent surface contamination. Pit will be padded to accept a 12 Mil liner. This request represents a 75%+ reduction of disturbance area vs. original reserve pit. At the end of drilling operations pit area will be reclaimed as per BLM's requirements.

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| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #28341 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 03/01/2004 (04AL0139SE) | |
| Name (Printed/Typed) MIKE MICK | Title AUTHORIZED REPRESENTATIVE |
| Signature (Electronic Submission) | Date 02/27/2004 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------------------|-------------------------------------|
| Approved By <u>/s/ Joe G. Lara</u> | ACTING Title FIELD MANAGER | Date MAR 2004 |
| 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 FIELD OFFICE |

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.