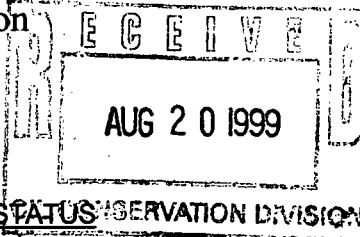


District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

1165 Form C-142
Date 06/99



SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE

APPLICATION FOR NEW WELL STATUS OIL CONSERVATION DIVISION

I. Operator and Well

Operator name & address Marathon Oil Company P. O. Box 552 Midland, TX 79701								OGRID Number 014021	
Contact Party Ginny Larke								Phone 915-682-1626	
Property Name INDIAN HILLS UNIT						Well Number 18		API Number 30-015-30564	
UL O	Section 20	Township 21-S	Range 24-E	Feet From The 409	North/South Line SOUTH	Feet From The 2324	East/West Line EAST	County EDDY	

II. Date/Time Information

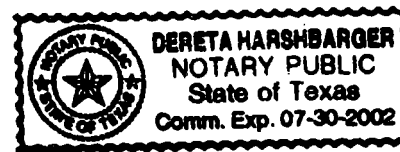
Spud Date 1/26/99	Spud Time 1200 HRS	Date Completed 2/28/99	Pool INDIAN BASIN UPPER PENN ASSOCIATED POOL
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III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of Texas)
County of Midland) ss.



Ginny Larke, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature Ginny Larke Title Engineer Technician Date August 17, 1999

SUBSCRIBED AND SWORN TO before me this 17th day of August, 1999.

Dereta Harshbarger
Notary Public

My Commission expires: July 30, 2002

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Kelly</u>	Title <u>P.E. Spec.</u>	Date <u>AUG 24 1999</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: AUG 24 1999

NOTICE: The operator must notify all working interest owners of this New Well certification.

7VZV2006429760

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other in-
structions on
reverse side)

FORM APPROVED

OMB NO. 1004-0137

Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

LC-064391-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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 ☐ DEEP-FN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other _____

2. NAME OF OPERATOR

Marathon Oil Company

3. ADDRESS AND TELEPHONE NO.

P.O. Box 552 Midland, TX 79702

915-682-1626

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface

UL "0", 409' FSL and 2324' FEL, SECTION 20, T-21-S, R-24-E

At top prod. interval reported below

SAME AS ABOVE

At total depth

SAME AS ABOVE

14. PERMIT NO.

DATE ISSUED

9. API WELL NO.

30-015-30564

10. FIELD AND POOL, OR WILDCAT

INDIAN BASIN UPPER PENN
ASSOCIATED POOL11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

SEC. 20, T-21-S, R-24-E

12. COUNTY OR
PARISH

EDDY

13. STATE

NM

15. DATE SPUDDED

1/27/99

16. DATE T.D. REACHED

2/15/99

17. DATE COMPL. (Ready to prod.)

2/28/99

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

KB: 3755'; GL: 3739'

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

8160' (MD & TVD)

21. PLUG, BACK T.D., MD & TVD

8089'

22. IF MULTIPLE COMPL.,
HOW MANY*23. INTERVALS
DRILLED BY

ROTARY TOOLS

ALL

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*

UPPER PENN 7365'-7950'

25. WAS DIRECTIONAL
SURVEY MADE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

Platform Express - Compensated neutron/NGT, Micro-CFL/NGT, CCL, GR & CAST CBL

27. WAS WELL CORED

NO

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

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
14" CONDUCTOR		40'		SURFACE	
9-5/8" K-55	36 #	1208'	12-1/4"	555 SX. NO CIRCULATION	
7" K-55	23# & 26#	8120'	8-3/4"	400 SX FOAMED & 690 SX	75 SX CIRC.
1" ANNULUS				325 SX TO SURFACE. 18 SX CIRC	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	7241'	7251'

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

7480' - 7442', 7424' - 7366', 4 SPF

32. ACID SHOT FRACTURE CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7366' - 7480'	7850 GAL. 15% CCA SOUR HCL

33. PRODUCTION

DATE FIRST PRODUCTION 2/28/99		PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) FLOWING				WELL STATUS (Producing or shut-in) PRODUCING	
DATE OF TEST 3/10/99	HOURS TESTED 24	CHOKE SIZE 19/64	PROD'N. FOR TEST PERIOD →	OIL - BBL. 17	GAS - MCF. 2176	WATER - BBL. 1886	GAS - OIL RATIO 128,000
FLOW. TUBING PRESS. 340	CASING PRESSURE 0	CALCULATED 24-HOUR RATE →	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.) 44.7	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

SOLD

35. LIST OF ATTACHMENTS

LOGS & INCLINATION SURVEY

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Ginny Larko

TITLE

Engineer Technician

DATE 3/12/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (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):

				GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
UPPER PENN	7365	7950	DOLOMITE, LIMESTONE, SHALE; GAS, OIL, WATER	SAN ANDRES	990	
				GLORIETA	2414	
				YESO	2526	
				3rd BONE SPR LIME	4834	
				3rd BONE SPR SAND	6552	
				WOLFCAMP SHALE	6592	
				UPPER PENN	7365	
				BASE DOLOMITE	7950	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30 2000

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

2. Name of Operator

Marathon Oil Company

3a. Address

P.O. Box 552 Midland, TX 79702

3b. Phone No. (include area code)

915/687-8356

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

409' FSL & 2,324' FEL
SEC. 20, T-21-S, R-28-E

5. Lease Serial No.

LC-064391-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
INDIAN HILLS UNIT

8. Well Name and No.

INDIAN HILLS UNIT 18

9. API Well No.

30-015-30564

10. Field and Pool, or Exploratory Area

INDIAN BASIN - U. PENN

11. County or Parish, State

EDDY NM

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

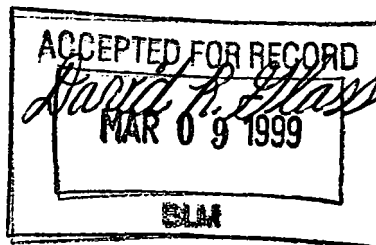
TYPE OF SUBMISSION

- ☐ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|-----------------------------------------------|-------------------------------------------|----------------------------------------------------|---------------------------------------------------------------|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other SPUD/DRLGOPS |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <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 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 final site is ready for final inspection.)
SEE ATTACHED FOR DETAIL



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

R. J. LONGMIRE

Title

DRILLING SUPERINTENDENT

Date 3/5/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Title 18 U.S.C. Section 1001, makes 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.

(Instructions on reverse)

Marathon Oil Company

Indian Hills Unit #18
409' FSL & 2324' FEL
Section 20, T-21-S, R-24-E
Eddy County, N.M.
API # 30-015-30564

1/26/99, MIRU McVay # 4, Spud 12.25" hole @ 1200 hrs, 1/27/99. Drilled to 1210'. Ran 31 jts, 9.625", 36 #, K-55, STC casing to 1210', shoe @ 1209', Float collar @ 1172'. Cemented W/ 200 sx Thixset Wt-14.0, yield- 1.52, followed by 155 sx. Premium plus Wt -- 12.4, yield - 2.02. Tailed in w/ 200 sx premium plus neat, Wt 14.8, yield - 1.34. Did not circulate cement. WOC 5 hrs, tagged TOC @ 288'. Circulated cement after 5 - 1" stages w/ total of 325 sx neat cement. Welded on 9.625" SOW X 11" 3M casing head. Tested weld to 1500 psi. N.U. 11" 3M dual ram and annular BOPE, choke manifold and kill line. Tested BOPE to 3000/300 psi. Tested annular to 2000 psi. P.U. 8.75" bit and TIH to TOC @ 1150', tested casing to 1000 psi. Drilled shoe and formation to 8150' TD @ 1445 hrs 2/10/99. R.U. Schlumberger, ran Platform - Express w/ HALS/NGT 8063' - Surface.

Changed rams to 7", ran 71 jts, 26 #, K-55, 103 jts, 23 #, K-55, 2 jts, 26 #, K-55 LTC casing to 8120'. Shoe @ 8119', float collar @ 8072', D.V. @ 6271'. Cemented St.. stage w/ 200 sx Premium Plus w/ 350 Scf N2, Wt - 9.2, yield - 1.18. Tailed in w/ 200 sx Premium Plus foamed w/ 150 SCF N2, Wt - 13.2, yield 1.18. Set ECP & dropped bomb, opened D.V. tool @ 6271', circulated out gas and water. Cemented 2nd stage w/ 590 sx. Interfil "C" w/ .25 p.p.s. flocele, 3 p.p.s. Gilsonite, .2% Halad - 22, Wt - 11.9, yield - 2.47. Tailed in w 100 sx neat. Plug down @ 1345 hrs, 2/13/99. Circulated 100 sx to surface.

ND BOPE and set slips, NU 11" 3M X 7 1/16" 3M tubing spool. Tested seals to 1000 psi. Released rig @ 2000 hrs 2/13/99.

MARATHON OIL COMPANY
Attachment to Form C-142**INDIAN HILLS UNIT WELL NO. 18****API NO. 30-015-30564**

Field	Working Interest Owners	Working Interest %	NRI %
Indian Hills Unit No. 6 & 18	MOC	99.54544	83.07133
Sec. 20, T-21-S, R-24-E	Nearburg Exploration	0.45456	0.38568
D. O. #8200505			