

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

JAN 21 2004

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1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC064243A
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
Contact: CHARLES KENDRIX E-Mail: cekendrix@marathonoil.com		7. If Unit or CA/Agreement, Name and/or No. NMNM70964X
3a. Address P O BOX 552 MIDLAND, TX 79702	3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 713.296.3598	8. Well Name and No. INDIAN HILLS UNIT 52
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL		9. API Well No. 30-015-32805-00-X1
		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
		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 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 checked="" 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	Well Spud
	<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 site is ready for final inspection.)

Please see Word attachment for Spud and Surface casing details.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #26876 verified by the BLM Well Information System
For MARATHON OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/16/2004 (04AL0021SE)**

Name (Printed/Typed) CHARLES KENDRIX

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 01/15/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**

ALEXIS C SWOBODA
Title PETROLEUM ENGINEER

Date 01/20/2004

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

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Indian Hills Unit # 52 Spudded

09/19/2003 Drill out and set 40' of 16" conductor pipe Weld on surface flange and nipple up surface stack.

09/20/2003 Well spudded w/ 12 3/8" hammer bit air drilling to 150' lost returns at 150'. Put fluid pump on on well and freed pipe. POOH dumped 16 yards ready mix down hole to stabilize gravel and plug lost return area. Waited on cement to harden and air drilled from 55' to 180' with partial return of air. Drag encountered at 155' to 160'.

09/21/2003 Drill out tight spot from 180' to 192' hanging up. POOH dumped 10 yards of ready mix cement w/ Excellerator & 2% CACL. Wait on cement to harden RIH w/ 12 1/4" bit tagged up cement @145'. Air drilled through cement and down to 560'. Tight spots encountered at 156' , and 175' to 180'.

09/22/2003 Air drilled from 560' to 866' having trouble picking up to make connections @ 653'. POOH to check hole, boulder across hole at 180' to 200', large wash out in that area. Cemented in boulder and filled wash out section with 48 yards ready mix. Wait on cement to harden.

09/23/2003 Drilled out cement 56' to 194' lost returns hole falling in. Cemented hole with 9 1/2 yards. Waited on cement drilled out 25' to 213' partial returns tight spot at 180' to 192'. Pulled up to make connection tagged back up at 165' worked pipe back down to 213. POOH Dumped 10 yards ready. Tagged cement with sand line at 150'. Dumped 5 yards ready mix cementing to 40'. Waited on cement to set.

09/24/2003 RIH w/ 12 1/4" bit drilled out 40' to 305'. Fell out of cement at 310' washed reamed and cleaned out hole to 866'. Drilled hole from 866' to 1385'.

09/25/2003 Air drilled from 1385' to 1832'. POOH with drilling string. RIH with 41 joints 9 5/8" 36# K-55 casing landed at 1832'. Rigged up Cementers pumped foamed cement w/ 10,000 scf of N2, 20 bbls of gelled water, 700 sacks of Foamed Premium Plus, 1.5% Zonesealant, 2% CaCl2, tailed with 100 sacks of Premium Plus w/ 1.5% Zonesealant, 2% CaCl2. Circulated 265 sacks. Capped w/ 75 sacks of Neat w/ 2% CaCl2. Wait on cement to set. Cut off 9 5/8' casing and welded on 9 5/8" 3M x SOW wellhead.