

MARATHON OIL COMPANY

Burns "34" State # 3
450' FNL & 2100' FEL
Sec. 34, T- 18-S, R-28-E
Eddy County, New Mexico

MIRU TMBR Sharp, spud 17.5" hole @ 0315 hrs 1/6/99. Drilled to 448'. Ran 10 jts, 13.375", H-40 casing to 443'. Shoe @ 448, insert @ 401'. RU HOWCO, Cemented surface casing W/ 170 sx 35:65:6,2% cacl, wt 12.3, yield - 2.02. Tailed in W/ 200 sx "C" wt- 14.8, yield - 1.34. Bumped plug and circulated 20 sx to pit. WOC 4 hrs, cut casing and installed 13.625" X 13.375" SOW casing head, NU rotating head and TIH w/ 12.25" bit. WOC 10 hrs. Drilled float equip and air drilled formation to 2957'. TD @ 2300 hrs 1/10/99.

Ran 9-5/8" Intermediate casing as follows: 66 jts 36#, K-55 LTC new casing to 2957'. Shoe @ 2956', float collar @ 2909'. Cemented w/1000 sx HOWCO Interfil "C", 5 p.p.s. gilsonite, .25 p.p.s. cello, wt - 11.9 ppg, yield - 2.46. Tailed in w/ 250 sx "C" neat wt - 14.8, yield 1.34. Circulated 260 sx to pit. ND BOPE and set slips w/ 60K. NU 13-5/8" 3M X 11" 3M casing head and tested weld to 1000 psi.

Drilled formation to 9960", TD @ 1630 hrs, 1/24/99.

Logged well as follows: Platform Express/HALS/BHC Sonic/NGT TD - 7,000'. CNL/GR/CAL - surface. Drilled 8.75" hole to 10,040'

Ran 7" production casing as follows: 76 jts, (3207.05') 26#, L-80, 51 jts, (2194.93') 26#, K-55, 103 jts (4638.66') 23# K-55. Shoe @ 10,040', collar @ 9949', DV @ 8499'.

Cemented production casing w/ 325 sx Modified Super H, .4% CFR-3, 5 pps Gilsonite, .5% Halad -344, 2 p.p.s. NACL, Wt - 13.0, Yield - 1.64. Bumped plug, did not circulate cement.

Cemented 2nd stage w/ 660 sx Interfil "C", wt - 11.9, yield - 2.64. Tailed in w/ 100 sx neat. Did not circulate cement. Estimated cement top - 2nd stage - 1750'.

Set slips w/168K, cut 7", ND BOPE. Released rig @ 1130 hrs 1/25/99.