

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-101
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)

30-015-27465

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 E - 10083

JUN 15 1993

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
 DRILL RE-ENTER DEEPEN PLUG BACK

b. Type of Well:
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

7. Lease Name or Unit Agreement Name
 INDIAN HILLS STATE COMM.

2. Name of Operator
 Marathon Oil Company

8. Well No.
 7

3. Address of Operator
 P.O. Box 552 Midland, Tx. 79702

9. Pool name or Wildcat
 CEMETARY/MORROW

4. Well Location
 Unit Letter F : 1650 Feet From The NORTH Line and 1980 Feet From The WEST Line
 Section 36 Township 20 - SOUTH Range 24 - EAST NMPM EDDY County

10. Proposed Depth 9750'
 11. Formation U. PENN, MORROW
 12. Rotary or C.T. ROTARY

13. Elevations (Show whether DF, RT, GR, etc.) 3625' GR
 14. Kind & Status Plug. Bond BLANKET / CURRENT
 15. Drilling Contractor UNKNOWN
 16. Approx. Date Work will start 7/1-93

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
20"	16"	CONDUCTOR - 55	40'	REDI-MIX	SURFACE
14.75"	10.75"	40.5	1200'	1540	SURFACE
9.875"	7.625"	26.4, 29.7	9750'	2835	+/- 1000'

DV TOOL @ 6000'

WELL IS A PROPOSED 9750' DAGGER DRAW, UPPER PENN, MORROW PRODUCER.
 BLOWOUT PREVENTION EQUIPMENT WILL BE APPLIED AS FOLLOWS: SURFACE HOLE - 16-3/4" 2M ANNULAR AS PREVENTER, TO BE FUNCTION TESTED. PRODUCTION HOLE - 11" 3M DUAL RAM, ANNULAR, ROTATING HEAD & CHOKE MANIFOLD, TESTED TO 3000# w PERIODIC FUNCTION TESTS.
 ALL CASING WILL BE RUN AND CEMENTED IN ACCORDANCE WITH STATE REGULATIONS.
 DUE TO POSSIBLE H2S IN THE UPPER PENN., HYDROGEN SULFIDE DETECTION & SAFETY EQUIPMENT WILL BE INSTALLED FOR SERVICE BY 3000'.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
 SIGNATURE Cecil Pearce TITLE DRILLING SUPERINTENDENT DATE 6/11-93
 TYPE OR PRINT NAME CECIL T. PEARCE TELEPHONE NO. 915 682-1626

(This space for State Use)
 APPROVED BY Mark Kelly TITLE GEOLOGIST DATE 6-15-93

CONDITIONS OF APPROVAL, IF ANY:
 NOTIFY N.M.O.C.D. IN SUFFICIENT TIME TO WITNESS CEMENTING THE 10 3/4 CASING

APPROVAL VALID FOR 180 DAYS
 PERMIT EXPIRES 12-15-93
 UNLESS DRILLING UNDERWAY

1/3x
 Bump
 5/2
 of

10-1
 6-15-93
 12-15-93

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WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

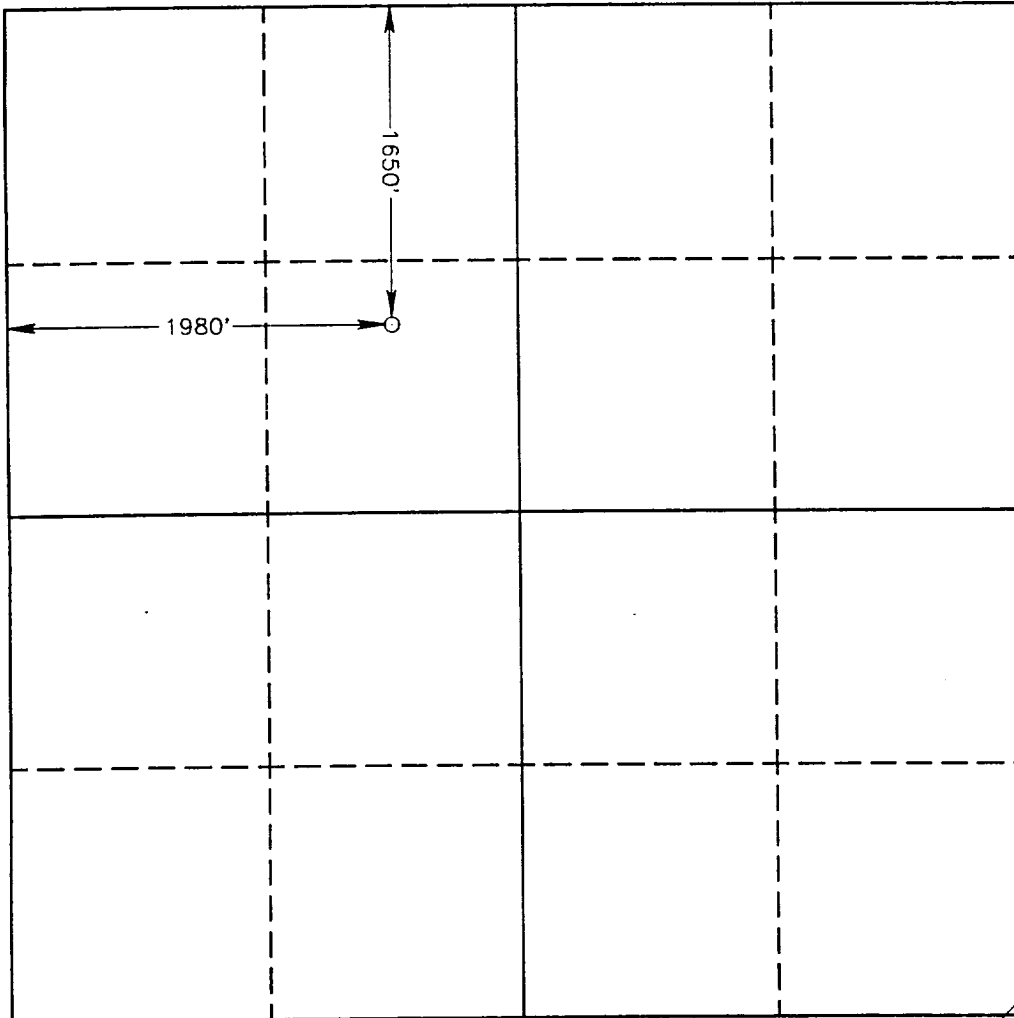
Operator MARATHON OIL CO.		Lease INDIAN HILLS STATE COM.		Well No. 7
Unit Letter F	Section 36	Township 20 SOUTH	Range 24 EAST NMPM	County EDDY
Actual Footage Location of Well:				
1650 feet from the NORTH line and		1980 feet from the WEST line		
Ground Level Elev. 3625.3'	Producing Formation MORROW	Pool CEMETARY / MORROW	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.) _____

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Cecil T. Pearce

Printed Name
 Cecil T. Pearce

Position
 Drilling Superintendent

Company
 Marathon Oil Company

Date
 6/14-93

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
 JUNE 9, 1993

Signature & Seal of Professional Surveyor

Certificate No. JOHN W. WEST 876
 JOHN W. WEST 3239
 JOHN W. WEST 7977
 93 JUN 14 1993

