

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

| |
|---|
| WELL API NO. 30-015-00037 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. NM-0384628 |
| 7. Lease Name or Unit Agreement Name: INDIAN BASIN GAS COM |
| 8. Well No. 1 |
| 9. Pool name or Wildcat INDIAN BASIN MORROW GAS POOL |

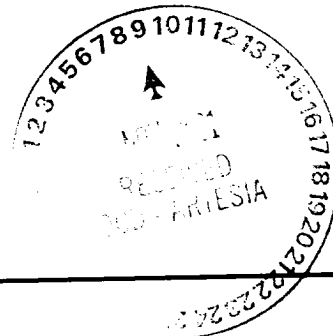
SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

| | |
|--|--|
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other | 10. Elevation (Show whether DR, RKB, RT, GR, etc.) KB - 3843', GL - 3831 |
| 2. Name of Operator Marathon Oil Company | |
| 3. Address of Operator P.O. Box 552, Midland, TX 79702 | |
| 4. Well Location Unit Letter E : 1980 feet from the NORTH line and 660 feet from the WEST line Section 23 Township 21-S Range 23-E NMPM County EDDY | |

| | |
|---|---|
| 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data | |
| NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/> | SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: OPEN WELL TO PRODUCE FROM THE MORROW <input checked="" type="checkbox"/> |

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Morrow gas is coming up the casing side of this wellbore (See attached Gas Analysis). Marathon hooked up a meter run, chart and flowline to the casing side of this well. The tubing is shut off at the surface, and there is a permanent packer set @ 9941'. After being measured thru the meter run, the gas production is sent, via the flowline, to the Indian Basin Gas Plant for processing.



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

SIGNATURE Ginny Larke TITLE Engineer Technician DATE 11/1/01

Type or print name Ginny Larke Telephone No. 800-351-1417

(This space for State use)
APPROVED BY TIM W. GUM DISTRICT II SUPERVISOR TITLE DISTRICT II SUPERVISOR DATE JAN 02 2002
Conditions of approval, if any:

915 687 -

Wildcat Measurement Service
 P.O. Box 1836
 Artesia, New Mexico 88211-1836
 TollFree 1888-421-9453
 Office 1505-746-3481
 "Quality and Service is our First Concern"

FDS 06/25/00

Run No. 210831-03
 Date Run 08/31/2001
 Date Sampled 08/31/2001

Analysis for: MARATHON OIL COMPANY
 Well Name: INDIAN BASIN GAS COM S.W.D. #1
 Field: INDIAN BASIN

GPANGL.L61

Sta. Number:
 Purpose: SPOT
 Sampling Temp: 60 DEG F
 Volume/day:
 Pressure on Cylinder: 968 PSIG

Producer: MARATHON OIL COMPANY
 County: EDDY State: NM
 Sampled By: NORTE AKIN
 Atmos Temp: 74 DEG F
 Formation:
 Line Pressure: 981.1 PSIA

GAS COMPONENT ANALYSIS

Pressure Base: 14.6500

| | Mol % | GPM |
|--------------------|----------|--------|
| Carbon Dioxide CO2 | 0.8831 | |
| Nitrogen N2 | 0.2817 | |
| Methane C1 | 94.3865 | |
| Ethane C2 | 3.3318 | 0.8857 |
| Propane C3 | 0.7236 | 0.1982 |
| Iso-Butane IC4 | 0.0956 | 0.0311 |
| Nor-Butane NC4 | 0.1046 | 0.0328 |
| Iso-Pentane IC5 | 0.0276 | 0.0100 |
| Nor-Pentane NC5 | 0.0119 | 0.0043 |
| Hexanes Plus C6+ | 0.1476 | 0.0640 |
| TOTAL | 100.0004 | 1.2261 |

Real BTU Dry: 1042.87
 Real BTU Wet: 1024.73
 Real Calc. Specific Gravity: 0.5955
 Field Specific Gravity: 0.0000

Standard Pressure: 14.6960
 BTU Dry: 1046.15
 BTU Wet: 1027.94

Z Factor: 0.9978
 N Value: 1.3820
 Avg Mol Weight: 17.2160
 Avg CuFt/Gal: 58.4018
 26 Lb Product: 0.1286
 Methane+ GPM: 17.1374
 Ethane+ GPM: 1.2261
 Propane+ GPM: 0.3484
 Butane+ GPM: 0.1423
 Pentane+ GPM: 0.0784

REMARKS:
 H2S ON LOCATION: NONE DETECTED

Approved by: DON NORMAN

Fri Aug 31 11:50:50 2001