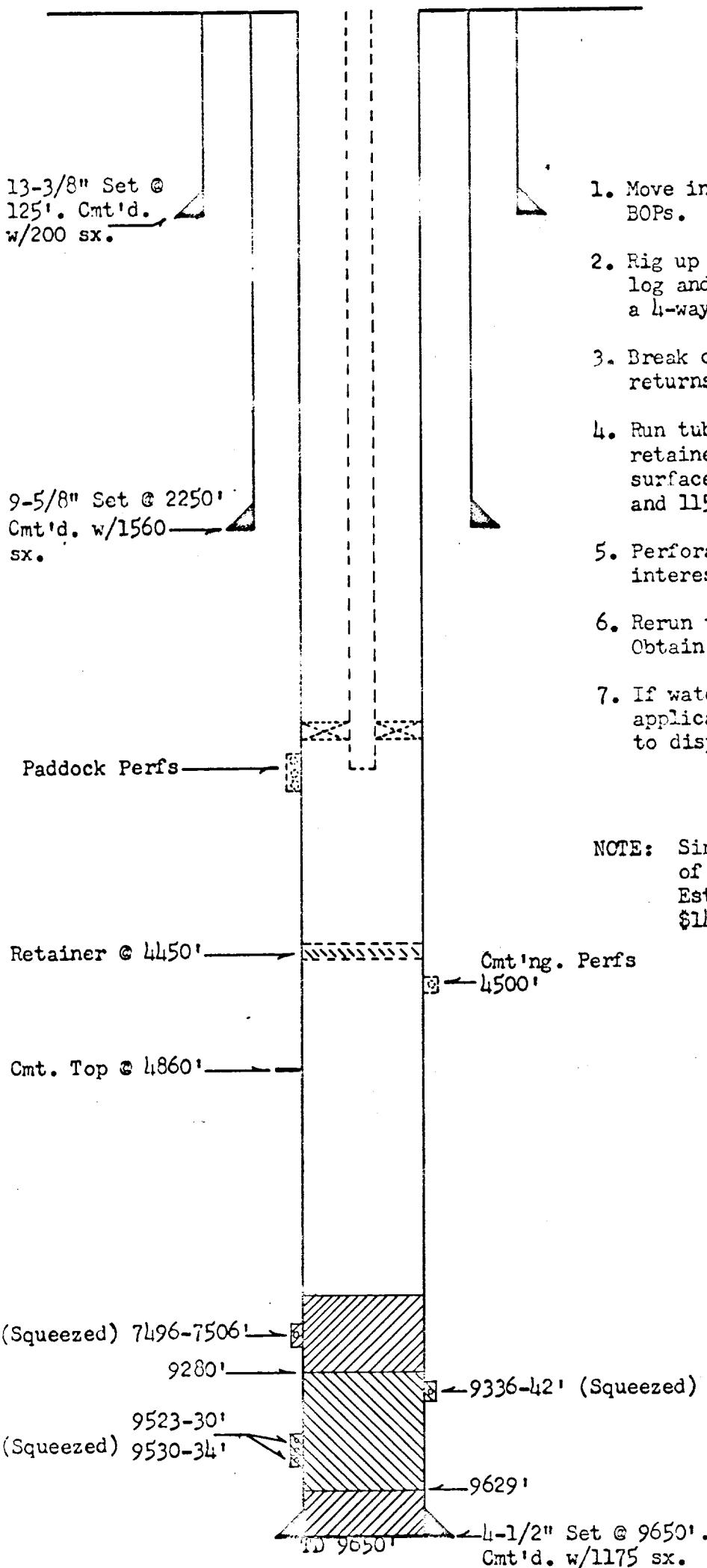


MARATHON OIL COMPANY
 "Diagrammatic Sketch of Sinclair Marathon Federal, Well No. 1
 INDIAN BASIN AREA
 Eddy Co., New Mexico
 Scale: None



PROCEDURE

1. Move in and rig workover unit and install BOPs.
2. Rig up perforating unit, run correlation log and perforate $4\frac{1}{2}$ " casing @ 4500' with a 4-way jet.
3. Break circulation and establish good returns.
4. Run tubing with cement retainer and set retainer @ 4450'. Cement $4\frac{1}{2}$ " casing to surface with 550 sx. Trinity Lite-wate and 1150 sx. Trinity regular. WOC 2 1/4 hrs.
5. Perforate Paddock zone in interval of interest (100 jet shots).
6. Rerun tubing with packer and swab test. Obtain several water samples for analysis.
7. If water analysis is favorable file application with NMOCC for authorization to dispose salt water into the Paddock zone.

NOTE: Sinclair's estimate of salvage value of this well is \$7078.90.
 Estimated cost of pulling casing is \$1140.00 (.30 per foot)..