

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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.

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30 2000

5. Lease Serial No.

NM1832

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
INDIAN BASIN

8. Well Name and No.

NIBU

4

9. API Well No.

30-015-10558

10. Field and Pool, or Exploratory Area

INDIAN BASIN, U. PENN

11. County or Parish, State

EDDY

NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Marathon Oil Company

3a. Address

P.O. Box 552 Midland, TX 79702

3b. Phone No. (include area code)

915/687-8356

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SHL - U.L. "J", 1650' FSL & 1651' FEL, SEC. 16, T-21-S, R-23-E

BHL - U.L. "B", 700' FNL & 1650' FEL, SEC. 16, T-21-S, R-23-E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 final site is ready for final inspection.)
- PROPOSE TO DRILL HORIZONTAL LATERAL.

NO NEW SURFACE SHALL BE DISTURBED.

SEE ATTACHED PROCEDURE FOR DETAIL.



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

R. J. LONGMIRE

W. J. Duncan

Title

DRILLING SUPERINTENDENT

Date

4/26/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Title 18 U.S.C. Section 1001, makes 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.

State of New Mexico

Form C-102

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

811 S. 1st Street, Artesia, NM 88210-2834

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-10558		² Pool Code 79040		³ Pool Name INDIAN BASIN, U. PENN GAS	
⁴ Property Code 6411		⁵ Property Name NORTH INDIAN BASIN UNIT			⁶ Well Number 4
⁷ OGRID No. 14021		⁸ Operator Name Marathon Oil Company			⁹ Elevation 3940' G. L.

¹⁰ Surface Location

UL or lot no. J	Section 16	Township 21-S	Range 23-E	Lot. Idn	Feet from the 1650	North/South Line SOUTH	Feet from the 1651	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. B	Section 16	Township 21-S	Range 23-E	Lot. Idn	Feet from the 760	North/South Line NORTH	Feet from the 1650	East/West line EAST	County EDDY
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¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON--STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
				Signature R. J. LONGMIRE Printed Name DRILLING SUPERINTENDENT Title 4/26/99 Date	
				¹⁸ 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 belief.	
				Date of Survey Signature and Seal of Professional Surveyer: Certificate Number	

MARATHON OIL COMPANY

Structure : North Indian Basin Unit No.4
Field : NIBU Location : Eddy County New Mexico

Created by barite
Date plotted : 15-Apr-99
Plot Reference is 100' Radius 4-15-99.
Coordinates are in feet reference slot #1.
True Vertical Depths are reference rotary table.

--- Baker Hughes INTEQ ---



WELL PROFILE DATA

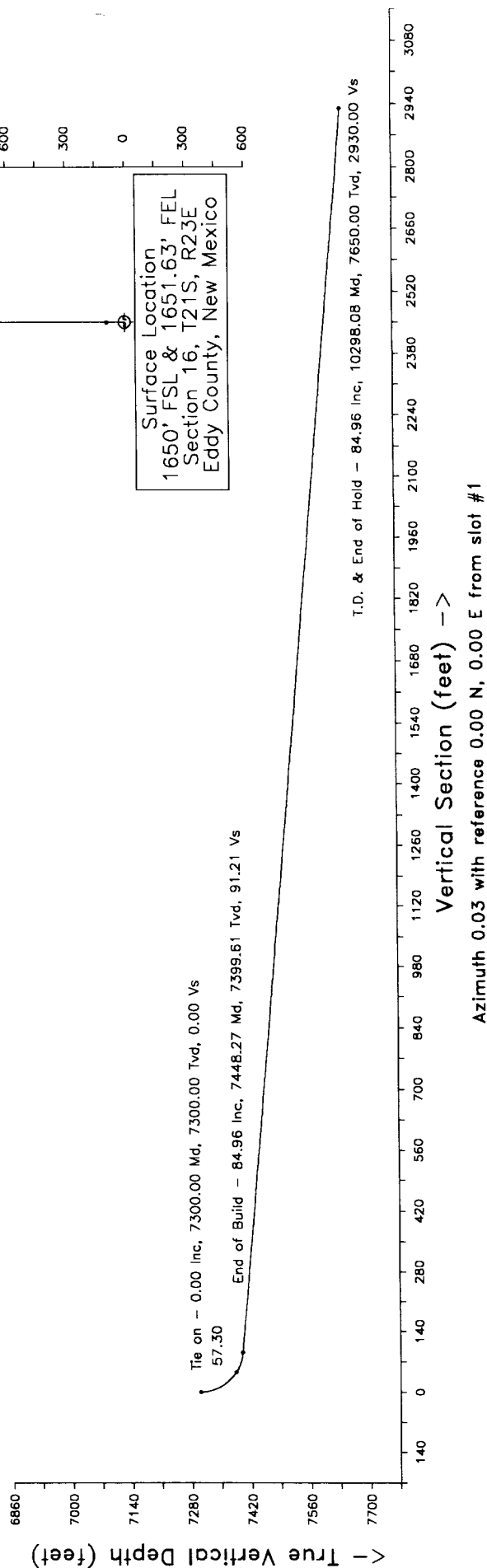
Point	MD	Inc	Dlr	TVD	North	East	V. Sect	Deg/100
Tie on	7300.00	0.00	0.03	7300.00	0.00	0.00	0.00	0.00
End of Build	7448.27	84.86	0.03	7399.61	91.21	0.05	91.21	57.30
T.D. & End of Hold	10298.08	84.96	0.03	7650.00	2930.00	1.63	2930.00	0.00



INTEQ



Horizontal Section (H.S.) (See Note)
Horizontal Section is not a true representation of the well path.
It is a simplified representation of the well path.



MARATHON OIL COMPANY
North Indian Basin Unit No.4, slot #1
NIBU, Eddy County New Mexico

PROPOSAL LISTING Page 1
Your ref : 100' Radius 4-15-99
Last revised : 15-Apr-99

Measured Depth	Inclin. Degrees	Azimuth Degrees	True Depth	R E C T A N G U L A R C O O R D I N A T E S	Dogleg Deg/100ft	Vert Sect
7300.00	0.00	0.03	7300.00	0.00 N	0.00	0.00
7400.00	57.30	0.03	7384.14	45.97 N	57.30	45.97
7448.27	84.96	0.03	7399.61	91.21 N	57.30	91.21
7500.00	84.96	0.03	7404.15	142.74 N	0.00	142.74
8000.00	84.96	0.03	7448.08	640.80 N	0.00	640.80
8500.00	84.96	0.03	7492.01	1138.87 N	0.00	1138.87
9000.00	84.96	0.03	7535.95	1636.93 N	0.00	1636.93
9500.00	84.96	0.03	7579.88	2135.00 N	0.00	2135.00
0000.00	84.96	0.03	7623.81	2633.07 N	0.00	2633.07
0298.08	84.96	0.03	7650.00	2930.00 N	0.00	2930.00

All data is in feet unless otherwise stated.
Coordinates from slot #1 and TVD from rotary table.
Bottom hole distance is 2930.00 on azimuth 0.03 degrees from wellhead.
Vertical section is from N 0.00 E 0.00 on azimuth 0.03 degrees.
Calculation uses the minimum curvature method.
Presented by Baker Hughes INTEQ

Safety:

- Hold daily safety meetings explaining the proposed procedure.
- H2S concentration - 5,000 PPM
- Keep TIW on rig floor for all pipe connections at all times.
- Use 10# Brine to kill well if necessary.

1. Lockout/tagout energy source. RDMO pumping unit. Prepare location as necessary for pulling unit. Test safety anchors to 22,500#, if necessary.
2. MIRU pulling unit. Kill well as necessary. Install rod stripper. Unseat pump and TOOHP w/ rods, laying down. Install 7 1/16" 3M dual ram hydraulic BOP (blind rams on bottom and 2 7/8" pipe rams on top) with Torus annular. TOOHP w/ tubing.
3. RU wireline company. Install and test lubricator. Make gage ring run to 7,750'. Set top of 7" CIBP at 7,720' MD (5' above casing collar at 7,725'). RD wireline company.
4. TIH w/ 2 7/8" O.D. tubing. Test plug to 1000 psi. Hot water tubing to clean up paraffin. Circulate hole clean w/ fresh water. TOOHP w/ 2 7/8" O.D. tubing, laying down. ND BOPE. NU 7 1/16" 3M X 2 7/8" 8rd EUE adapter flange. Install 2 7/8" master valve. RDMO pulling unit.
5. Clean location. Build and line 40' X 40' X 6' dump pit. MIRU horizontal pulling unit package. NU 7 1/16" 3M dual ram hydraulic BOP (with blind rams on bottom and 2 7/8" pipe rams on top) and 7 1/16" 3M annular. Test BOPE to 250/1500 psi. with test plug.
6. TIH w/ 6 1/8" window mill, smooth OD watermelon mill and casing scraper while picking up 2 7/8" O.D., 10.4#, S-135, AOH drillpipe to 7,720' MD. Set 20K on CIBP at 7,720' MD. Adjust tally and TOOHP.
7. PU 7" Weatherford 3 Degree "WhipBack" whipstock assembly, starting mill, and orientation sub. TIH w/ 2 7/8" O.D., 10.4#, S-135 AOH drillpipe to 10' above CIBP. RU Wireline unit. RU and run SRG to orient whipstock at 101 degrees azimuth. Land whipstock on CIBP and re-check azimuth. Set whipstock and re-check azimuth. Release starting mill and start casing exit w/ starting mill. TOOHP. PU Window mill, and Watermelon mill. TIH. Finish casing exit. TOOHP. TIH w/ 6 1/8" bit, watermelon mill, watermelon mill on 2 7/8" DP. Open up casing exit and drill pilot hole to at least 7,720' MD. Window to be cut with fresh water. Circulate hole clean. TOOHP.
8. PU 4 3/4" Reed EHP 53 bit, 3 1/8" M1X motor, 2 7/8" O.D. Monel DC, MWD flow sub, and orienting sub, followed by 2,600' of 2 7/8" O.D., 10.4#, S-135, AOH drillpipe, and 20 - 4 1/8" X 2" DC's on 2 7/8" O.D., AOH drillpipe. **Note - 4 1/8" DC's must drift 2" I.D.**
9. Orient motor to 101 degrees azimuth using SRG gyro. Control drill 15' at 2-3'/hour for 15 feet. Run SRG gyro survey to confirm orientation. Drill curve section as per the attached directional program. Pump xanthan sweeps as necessary to clean the hole. TOOHP.
10. PU 4 3/4" Reed EHP 53 bit, 3 1/8" M1XL motor, 2 7/8" O.D. Monel DC, and MWD flow sub on 2,600' 2 7/8" O.D., 10.4#, S-135, AOH drillpipe, and 20 - 4 1/8" X 2" DC's on 2 7/8" O.D., AOH drillpipe. Drill 1" lateral section as per the attached directional program using fresh water and xanthan sweeps as necessary. Pull back to 8,078' and time drill with left side tool face to sidetrack out of the 1" lateral. Drill 2nd lateral as per the attached directional program. After second lateral is drilled, circulate hole clean and displace hole with 2% KCL water.
11. TIH w/ 7" retrievable bridgeplug on the 2 7/8" tubing. Set bridgeplug at 7650'. ND BOPE, NU wellhead. RDMO Horizontal PU.
12. Clean up location. MIRU pulling unit. PU and RIH to retrieve RBP. TOH with RBP. PU and RIH with 2 7/8" tubing and packer, setting at approximately 7650'. RU swab lubricator. Swab well and evaluate fluid entry. Stimulation will be based upon fluid entry. If the well does not flow, the whipstock will be retrieved and the CIBP @ 7,720' will be knocked to bottom to provide a sump for a rod pump installation.