Form 3160-5 (August 1999)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED Oil Cons. OMB NO. 1004-0135

Expires: November 30, 2000

N.M. DIV-Dist Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS 1301 W. Grand Avenue Do not use this form for proposals to drill or to re-enter an Artesia, NM 882 ml. Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side NM 84605 1. Type of Well X Gas Well Oil Well 8. Well Name and No. Other PRONGHORN FEDERAL 2. Name of Operator Marathon Oil Company 9. API Well No. Address 3b. Phone No. (in Place prea code, <u>30-015-261</u>07 P.O. Box 552, Midland, TX 79702 915/682/162 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) INDIAN BASIN UPPER PENN GAS UL "P" 660' FSL & 660' FEL SEC 8, T-21-S, R-23-E 11. County or Parish, State EDDY COUNTY NM CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete AMEND Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice COMMINGLE PERMIT Convert to Injection Plug Back Water Disposal 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 recomplete 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 recompletion 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.) Currently the gas production from this well goes through a stack pack and dehydrator before entering the Indian Basin Gas Plant gathering system to be sent directly to the plant. Marathon Oil Company proposes to take this gas production, via pipeline, to Kerr McGee's West Indian Basin Unit compressor station, located in the SW quarter of Section 17, T-21-S, R-23-E. From the compressor station, the gas will be transported, via pipeline, to the Indian Basin Gas Plant for processing. The gas production will be metered before entering the pipeline to the compressor station. An updated facility diagram is attached and should replace Exhibit #32 in the original commingle agreement LES BABYAK TROLEUM ENGINEER I hereby certify that the foregoing is true and correct Title Name (Printed/Typed) Ginny Larke Engineer Technician Date 7/26/02 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 Office

which would entitle the applicant to conduct operations thereon.

TO THE SITE SECURITY PLAN FOR THE INDIAN BASIN FIELD. THE PLAN IS LOCATED AT:
MARATHON OIL CO.
329 MARATHON RD.
LAKEWOOD, NM 88259 Oil Company SHT NO REV FACILITY
DESCRIPTION: PRODUCTION FACILITY STA208A.DWG STORAGE TANK (OUT OF SERVICE) Marathon THE FACILITY IS SUBJECT INDIAN BASIN FIELD PRONGHORN FEDERAL COM. No. EDD (208A) DRAWING NO. 7€EU AREA ⊡ SCALE DWN: D.ELLWOOD DATE 01/16/02 DATE DATE NONE CHKO: 208A OIL & WATER 9 TO KERR-MCGEE COMPRESSOR STATION INACTIVE V P. D. METER WATER 9  $\geq$ PD MARATHON OIL COMPANY STATION NO.: PRONGHORN FEDERAL COM. SERVING WELLS: PRONGHORN FEDERAL COM. No. 1 MASS FLOW METER PRODUCED FLUIDS STACK PACK DEHA. 660' FSL & 660' FEL U.L. "P", SEC. 8 T-21-S, R-23-E NM 58511 EDDY CO. N.M. GAS LINE PD PD Ž