Form 3160-5 (August 1999)

U ED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division No. 1004-0135

N.M. S. 1st Street. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an Artesia, NM 88 24 05 283 abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or N SUBMIT IN TRIPLICATE - Other instructions on reverse side COM # NM-91035 1. Type of Well 8. Well Name and No. X Oil Well Gas Well Other BONE FLATS "12" 2. Name of Operator FEDERAL COM #2 Marathon Oil Company 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-015-28304 P.O. Box 552, Midland, TX 79702 800-351-1417 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) S. DAGGER DRAW UPPER PENN UL "E", 1980' FNL & 660' FWL ASSOCIATED SECTION 12, T-21-S, R-23-E 11. County or Parish, State CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X 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 INSTALL Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice GAS LIFT ASSISTED Plug Back Convert to Injection Water Disposal PLUNGER LIFT SYST. 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.) MARATHON OIL COMPANY plans to install a gas lift assisted plunger lift system in this well. A wellbore diagram, a flow diagram of the MOC Central Battery where the supply gas will come from, and a map showing the routing of the gas lift supply line are attached. MIRU PU, unseat pump & POOH w/rods and pump. NU BOP & POOH w/tbg. Knock CIBP to bottom of hole. PU new tbg. MIRU CT rig, make up mandrel & 1" coil tbg & RIH w/coiled tbg banded to 2-7/8" tbg. Land tbg @ 7980' & hang off. RD PU & CT rig. Connect wellhead to flowline and gas supply line. Assemble plunger lift equipment, drop plunger and turn well over to production. Supply gas will come from the gas sales line at the MOC Central Battery, located in NW/4 of NW/4 of Section 1, T-21-S, R-23-E, Eddy County, New Mexico. It will be metered before being injected into the well, subtracted from the total lease production, and reported as lease use gas. The jumper line from the common supply line to the well will be buried across an existing pad. Any necessary right-of-ways and/or amendments to existing right-of-ways will be filed within the next 30 days. I hereby certify that the foregoing is true and correct Title Name (Printed/Typed) Ginny Larke Engineer Technician Date 1/4/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) DAVID R. GLASS

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.

Title

ETROLEUM ENGINEER

Office

Date JAN 13 2001

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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.



Spud: 02/22/95 G.L. Elev.: 3787' K.B.: 3803'

Bone Flats #2 1980' FNL and 660' FWL UL "E", Section 12, T-21-S, R-23-E Eddy County, New Mexico

Intermediate Casing 9 5/8" Set at 1212', Circ. 350 sks.

Current Tubing

# Joints	Size	Weight	Grade	Cplg	Length	Тор	Bottom
					K.B.C.	0.00	15.00
20	2 7/8"	6.5#	J-55 New	8rd	623.75	15.00	638.75
113	2 7/8"	6.5#	J-55 YB	8rd	3513.26	638.75	4152.01
114	2 7/8"	6.5#	J-55 New	8rd	3562.55	4152.01	7714.56
	Trico TAC				2.34	7714.56	7716.90
6	2 7/8"	6.5#	J-55 New	8rd	188.43	7716.90	7905.33
	Seatinig nipple				1.10	7905.33	7906.43
	2 7/8"	Perf sub			4.09	7906.43	7910,52
	2 7/8"	Mud joint bullplu	ugged		31.50	7910.52	7942.02
253	Total # Joints						0.00

Comments:

TAC in tension w/ 16 pts

Top perf: 7774' Bottom perf: 7894'

PBTD 7954'

Plunger assembly

Gas Lift Mandrel

Standing Valve @ 7980' (If CIBP can be knocked down hole

Production Casing 7" Set at 8000', Cmt. W/1200 sks. Circ. 110 sks.

PBTD: 7954' TD: 8000'







