Marathon Oil Company	RPT#:	3	Date:	2/18/99	Location Days:	3	Spud Days: 3
Midland, Texas	AFE#:	450299	GL:	3763'	KB:	17'	MOC WI: 99.5
	AFE Total Depth:	8,170'	County:	Eddy	State:	NM	MOC NI: 83.1

WELL NAME:	Indian Hills Unit # 10	RIG:	McVay # 4	FTG:	901'	DEPTH:(MD)	1,221'	(TVD)	1,221'
CSG SIZE:	16"	CSG MD:	47'	CSG TVD:		SHOE TEST:		MAX. SI:	
LINER TOP:									
PRESENT OP:	L/D 8" collars								

EXECUTIVE SUMMARY

Dry drilled f/ 320' t/ 1221'. Surface T.D. @ 3 :15 A.M. Pump sweep & circ. Broke circ. while circ. sweep w/ 80 t/ 90 % returns. Ran wireline survey. POOH w/ bit. L/D 8" collars.

MW	VIS	PV	YP	GELS	WL	SLD	OIL	WTR	MUD LOSSES		
8.4	28					0.3		99.7			
pH	Pm	Pf	Mf	CL	CA	LIME	BKGD	CONN	TRIP	MAX	
		0.1	0.1	1400	320						

BIT#	SIZE	COMPANY	TYPE	SERIAL#	OFF	FTG	HRS	FT/HR	RPM	WOB	CPF
1	12 1/4"	HTC	J-33	C43XL	1,221'	1,181'	40.5	29.0	74	70	

BIT#	I O D L B G OT R	PRESS.	GPM	JETS	TFA	ANNULAR VELOCITY	BIT HP
1		450	265	12/12/12			

BHA #:	1	Bit,float sub, shock sub, 1-8" collar,1-reamer,9- 8" DC's,X-oversub,27-6" collars
Length:	1182.46	

DRILL PIPE DESCRIPTION: MAX PULL:

DLY ROT HRS	CUM ROT HRS	JARS	TORQUE	WEIGHT (1000)			BHA:
20.50	40.50			Pu: 120	Rot: 120	So: 120	Eff:

MEA. DEPTH	ANGLE	DIRECTION		TVD	VERT. SEC.	N/S	E/W	DOG LEG
311	0.750	1175.00	0.75					
621	0.750							
923	0.500							

Start	End	Hours	Operations In Sequence
6:00	6:30	0.5	Drilled f/ 320' t/ 357'. No returns
6:30	6:45	0.25	W.L.S.
6:45	14:45	8	Drilled f/ 357' t/ 667'. No returns
14:45	15:00	0.25	W.L.S.
15:00	21:45	6.75	Drilled f/ 667' t/ 969'. No returns
21:45	22:00	0.25	W.L.S.
22:00	3:15	5.25	Drilled f/ 969' t/ 1221'. No returns
3:15	3:45	0.5	Pumped sweep& cir.(Broke cir. W/ sweep. W/ 80-90%returns.)
			Kicked out pump lost back down hole about 40'.
3:45	4:15	0.5	W.L.S. & L/D2 jt's D.P.
4:15	6:00	1.75	POOH w/ 6" collars & L/D 8" collars.
Total Hours Today		24	IS THIS REPORT CONTINUED ON NEXT PAGE ?????

AFE: DH	$390,000	TST/CSG:	$513,000	COMP:	$475,000	TOT:	$1,128,000
MUD COST ACTUAL:				WELL COST ACTUAL:			
DAILY:	$2,242	CUM:	$2,242	DAILY:	$13,739	CUM:	$73,193

LAST PIT DRILL DATE:
LAST BOPE TEST DATE:
ACCIDENTS REPORTED TODAY:None

DRILLING SUPERVISOR: Adan R Ramirez (drh)