

Marathon Oil Company

RPT#: 4

Date: 5/10/99

Location Days: 4

Spud Days: 3

Midland, Texas

AFE#: 450499

GL: 3766'

KB: 17'

MOC WI: 100.

AFE Total Depth: 8,250'

County: Eddy

State: NM

MOC NI: 93.2

|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
|--------------------------------------------------------------------------------------------|-------------------|--------------------|----------------------------------------------------------------------------------------------------|-------------------|--------|-------------------|------------------|----------------------------|------------|
| WELL NAME: Indian Hills Unit #14                                                           |                   | RIG: McVay # 4     |                                                                                                    | FTG:              |        | DEPTH:(MD) 1,230' |                  | (TVD)                      |            |
| CSG SIZE: 16"                                                                              |                   | CSG MD: 47'        |                                                                                                    | CSG TVD:          |        | SHOE TEST:        |                  | MAX. SI:                   |            |
| LINER TOP:                                                                                 |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
| PRESENT OP: Wait on tester.                                                                |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
| EXECUTIVE SUMMARY: WOC. 1" in 5 stages w/ 185 sxs cmt. WOC. Cut off 9 5/8" casing. NU bop. |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
| MW                                                                                         | VIS               | PV                 | YP                                                                                                 | GELS              | WL     | SLD               | OIL              | WTR                        | MUD LOSSES |
| 8.4                                                                                        | 28                |                    |                                                                                                    |                   |        |                   |                  |                            |            |
| pH                                                                                         | Pm                | Pf                 | Mf                                                                                                 | CL                | CA     | LIME              | BKGD             | CONN                       | TRIP       |
| 7.0                                                                                        |                   |                    |                                                                                                    | 700               | 660    |                   |                  |                            |            |
| BIT#                                                                                       | SIZE              | COMPANY            | TYPE                                                                                               | SERIAL#           | OFF    | FTG               | HRS              | FT/HR                      | RPM        |
|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
| BIT#                                                                                       | I O D L B G O T R |                    | PRESS.                                                                                             | GPM               | JETS   | TFA               | ANNULAR VELOCITY |                            | BIT HP     |
|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
| BHA #:                                                                                     | 1                 | Bit                | Bit sub                                                                                            | Shock             | 1-8"DC | RMR               | 8-8"DC           | X-over                     | 3-6"DC     |
| Length:                                                                                    | 375.47            | 1                  | 3.13                                                                                               | 9.41              | 28.88  | 7.77              | 229.14           | 2.1                        | 94.04      |
| DRILL PIPE DESCRIPTION: MAX PULL:                                                          |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
| DLY ROT HRS                                                                                | CUM ROT HRS       | JARS               | TORQUE                                                                                             | WEIGHT (1000)     |        |                   |                  | BHA:                       |            |
|                                                                                            | 34.50             |                    |                                                                                                    | Pu:               |        | Rot:              |                  | So:                        |            |
|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  | Eff:                       |            |
|                                                                                            | ANGLE             | DIRECTION          |                                                                                                    | TVD               |        | VERT. SEC.        |                  | N/S                        | EW         |
|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
|                                                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            |            |
| Start                                                                                      | End               | Hours              | Operations In Sequence                                                                             |                   |        |                   |                  |                            |            |
| 6:00                                                                                       | 10:15             | 4.25               | WOC.Cut off pipe.                                                                                  |                   |        |                   |                  |                            |            |
| 10:15                                                                                      | 11:00             | 0.75               | PU 1" pipe & tagged cmt 788' Cmt 1st stage 768' w/ 35 sxs PP w/ 3% cacl2.                          |                   |        |                   |                  |                            |            |
| 11:00                                                                                      | 11:30             | 0.5                | Layed down 1" pipe.                                                                                |                   |        |                   |                  |                            |            |
| 11:30                                                                                      | 12:30             | 1                  | WOC.                                                                                               |                   |        |                   |                  |                            |            |
| 12:30                                                                                      | 13:15             | 0.75               | PU 1"pipe & tagged cmt 765' Cmt 2nd stage 738' w/ 45 sxs PP w/ 3% cacl2.                           |                   |        |                   |                  |                            |            |
| 13:15                                                                                      | 14:00             | 0.75               | Layed down 1" & woc                                                                                |                   |        |                   |                  |                            |            |
| 14:00                                                                                      | 14:45             | 0.75               | PU 1" pipe & tagged cmt 786' Cmt 3rd stage 768' w/ 35 sxs PP w/ 3% cacl2                           |                   |        |                   |                  |                            |            |
| 14:45                                                                                      | 16:00             | 1.25               | Layed down 1" & woc. 10yds pea gravel down pipe.                                                   |                   |        |                   |                  |                            |            |
| 16:00                                                                                      | 18:30             | 2.5                | PU 1" & tagged cmt 754' Cmt 4th stage 708' w/ 50 sxs PP w/ 3% cacl2                                |                   |        |                   |                  |                            |            |
| 18:30                                                                                      | 20:00             | 1.5                | Layed down 1" pipe & woc.                                                                          |                   |        |                   |                  |                            |            |
| 20:00                                                                                      | 21:45             | 1.75               | PU 1" pipe & unable to get below 73'. Layed down 1" pipe. Gene Hunt w/ BLM said to top out at 63'. |                   |        |                   |                  |                            |            |
| 21:45                                                                                      | 22:30             | 0.75               | PU 1" pipe & tagged 73' Cmt 5th stage 63' w/ 20 sxs PP w/ 3% cacl2. Void f/ 475' to 63'            |                   |        |                   |                  |                            |            |
| 22:30                                                                                      | 23:30             | 1                  | Break down & load out 1" pipe.                                                                     |                   |        |                   |                  |                            |            |
| 23:30                                                                                      | 0:00              | 0.5                | Cut off 9 5/8" casing.                                                                             |                   |        |                   |                  |                            |            |
|                                                                                            |                   |                    | Man hrs per day-230 Cum man hrs per well-1591                                                      |                   |        |                   |                  |                            |            |
| Total Hours Today                                                                          |                   | 24                 | IS THIS REPORT CONTINUED ON NEXT PAGE ?????                                                        |                   |        |                   |                  |                            |            |
| AFE: DH \$360,000                                                                          |                   | TST/CSG: \$468,000 |                                                                                                    | COMP: \$390,000   |        | TOT: \$1,120,000  |                  | LAST PIT DRILL DATE: _____ |            |
| MUD COST ACTUAL:                                                                           |                   |                    |                                                                                                    | WELL COST ACTUAL: |        |                   |                  | LAST BOPE TEST DATE: _____ |            |
| DAILY:                                                                                     |                   | CUM: \$442         |                                                                                                    | DAILY: \$17,038   |        | CUM: \$104,558    |                  | ACCIDENTS REPORTED TODAY:  |            |
| DRILLING SUPERVISOR: Paul Lance                                                            |                   |                    |                                                                                                    |                   |        |                   |                  |                            | (drh)      |