

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED
OMB NO. 1004-0135
November 30, 2000

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. IC 0643981-B
2. Name of Operator Marathon Oil Company		6. If Indian, White or Tribe Name
3a. Address P.O. Box 552 Midland, TX 79702	3b. Phone No. (include area code) 800-351-1417	7. If Unit or CA/Agreement, Name and/or N Indian Hills Unit NM 70964
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface: UL "B", 1093' FNL & 1367' FEL Bottom Hole: UL "H", 700' FNL & 1450' FWL, Section 20, T-21-S, R-24-E		8. Well Name and No. Indian Hills Unit #25
		9. API Well No. 30-015-31194
		10. Field and Pool, or Exploratory Area Indian Basin Morrow Gas
		11. County or Parish, State Eddy NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other <u>Commingling</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <u>Off Lease Sales &</u>
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <u>Storage</u>

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.)

Marathon Oil Company, in accordance with 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 5, is requesting approval of off-lease storage and sales, and surface commingling of gas production from this well. The attached form, schematics, and maps show the leases and well affected by this request, show the equipment that is used, and give a more detailed explanation of this operation.

The gas production from this well will be measured through a stack pack at the wellhead, transported via pipeline to the East Indian Basin Central Facility for compression, and then on to the Indian Basin Gas Plant for processing and sales. Any liquid hydrocarbons that this well might produce in the future will be measured at the wellhead, transported via the liquids gathering pipeline system to the Indian Basin Gas Plant liquid hydrocarbon storage tank, and then metered and sold through a LACT unit. Allocations will be done using well tests per prior approvals. Any water this well might produce in the future will be measured at the wellhead, transported via pipeline to the East Indian Basin Central Facility water storage tanks, and then injected into various disposal wells.

(ORIG. SGD.) GARY GOURLEY

FEB 26 2001

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Ginny Larke	Title Engineer Technician
Date 2/14/01	

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, 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.