Form 3160-5 (August 1999)

) STATES LIN DEPARTMEN I OF THE INTERIOR

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

SUNDRY NOTICES AND REPORTS ON WELLS N.M. Oil Cons. Divisional No.

Do not use this form for proposals to drill or to re-enter at S11 S. 1st Stre 5. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposa Artesia, NM 88 210-2834 7. If Unit or CA/Agreement, Name and/or N SUBMIT IN TRIPLICATE - Other instructions on reverse side Indian Hills Unit NM 70964 Type of Well 8. Well Name and No. Oil Well X Gas Well Other #25 Indian Hills Unit 2. Name of Operator 9. API Well No. Marathon Oil Company 3b. Phone No. (include area code) 30-015-31194 3a. Address 10. Field and Pool, or Exploratory Area 800-351-1417 P.O. Box 552 Midland, TX 79702 Indian Basin Morrow Gas 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface: UL "B", 1093' FNL & 1367' FEL 11. County or Parish, State Bottom Hole: UL "H", 700' FNL & 1450' FWL, Section 20, T-21-S, R-24-E CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off X Production (Start/Resume) X Acidize Deepen Notice of Intent Well Integrity Reclamation Fracture Treat Alter Casing Subsequent Report Other INITIAL New Construction Recomplete Casing Repair Plug and Abandon Temporarily Abandon COMPLETION Change Plans Final Abandonment Notice Water Disposal Convert to Injection Plug Back 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 13 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.) 1/11/01 MIRU PU. NU BOP & RIH w/bit & DCs on 3-1/2" tbg to 8726'. Dressed off liner to 8731', circulated & POOH. RIH w/ 6-1/8" bit & drilled cement from 8731'-8337'. RI & tagged PBTD @ 10,341', curculated & POOH L/D DCs. RIH w/RITS, RIH w/sandline, set RITS @ 8500'. RU swab & swab tbg dry. POOH w/RTTS, PU TCP guns & PLS packer & RIH to 9978'. Ran GR/CLL, spaced out tbg, set packer @ 9995', ND BOP & NU wellhead. 3-1/2" production the (bottom) @ 10133', 7" perma-latch packer set @ 9894' (top). Dropped bar & perfed Morrow 9964'-9970', 9978'-9988', 9992'-10008', 10047'-10051', 10060'-10078', 10084'-10090', 10108'-10116', 10124'-10132' w/6 jspf. Opened well to flare-430 mcf w/150 psi ftp. After 6 hrs flowing-600 mcf w/170 psi ftp, 30/64 choke. Shut in 2 hrs, RU wireline, RIH w/release tool to 9943' & dropped guns. RD wireline, opened well to test unit. Flowed 1169 mcf w/400 psi ftp on a 22/64" choke. SI prior to fracture stimulation. Fracture treated Morrow 9964'-10132' w/56,254 gals. Titanate x-linked gel w/50% CO2, carrying 77,121 lbs. of 20/40 sand. Avg treating Shut well in rate-23.7 bpm, Max 35.5 bpm, Max proppant concentration 8.8 PPA and turned it over to production 1/19/01. Well began actual production 1/25/01. **FFB 2.6** 200 ORIG. SGD.) GARY GOURLEY Title I hereby certify that the foregoing is true and correct Name (Printed/Typed) Engineer Technician Girmy Larke Date 2/14/01 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date Title Approved by 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.