State of New Mexico Energy, Minerals & Natural Resources

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III

Date:

02/24/2006

Phone:

713-296-2096

Oil Conservation Divsiion 1220 S. St. Francis Dr.

Submit to appropriate District Office

1000 Rio Brazos Rd., Aztec, NM 87410 District IV AMENDED REPORT Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE ² OGRID Number ¹Operator Name and Address 14021 Marathon Oil Company ³API Number P.O. Box 3487 Houston, TX 77253-3487 30- 15-32530 6Well No. ⁵Property Name ⁴Property Code Indian Hills Unit 006409 10 Proposed Pool 2 9 Proposed Pool 1 Wolfcamp Wildcat ⁷Surface Location Feet from the North/South Line Feet from the East/West line County UL or lot no. Lot. Idn Section Township Range 1821 2092 Eddv 16 215 24E South West K ⁸ Proposed Bottom Hole Location If Different From Surface North/South Line Feet from the Feet from the East/West line County UL or lot no. Section Township Range N 16 218 24E 6951 South 1495 West Eddy Additional Well Location 12 Well Type Code 14 Lease Type Code 11 Work Type Code 13 Cable/Rotary 15 Ground Level Elevation 4118' P G S ²⁰ Spud Date 16 Multiple 17 Proposed Depth 18 Formation 19 Contractor Wolfcamp Distance from nearest fresh water well Distance from nearest surface water Depth to ground water Liner: Synthetic _ mils thick Clay 🔲 Pit Volume __ __ bbls Drilling Method: Fresh Water Brine 🔲 Diesel/Oil-based Gas/Air Closed-Loop System ²¹Proposed Casing and Cement Program **Estimated TOC** Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement 12 1/4" 9 5/8" 36 # 1815' 1025 Surface 8 3/4" 7" 23 & 26 # 8700' 1245 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. Marathon Oil Company proposes to plug back the Upper Penn formation in the Indian Hills Unit No. 50 and re-complete the well to the Wolfcamp formation. The surface hole location on this well is located on state lease E0-7437-0003. The bottom hole location for the well is located on state lease OG-6063-0003. $^{23}\,\text{I}$ hereby certify that the information given above is true and complete to the best of OIL CONSERVATION DIVISION my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines a general permit ____, or an (attached) alternative OCD-approved plan Signature: Approved by: BRYAN G. ARRANT DISTRICT II GEOLOGIST Printed name: Charles E. Kendrix Title: Engineering Technician Title: Approval Date: Expiration Date: FFR 2 7 2007 FEB 2 7 2006 E-mail Address: cekendrix@marathonoil.com

Conditions of Approval:

Attached

District I

1625 N. French Dr., Hobbs, NM 88240

2092'

State of New Mexico Energy, Minerals & Natural Resources

Form C-102 Revised June 10, 2003

cekendrix@marathonoil.com

¹⁸SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Title and E-mail Address

713-296-2096

Date

Date of Survey

Certificate Number

Signature and Seal of Professional Surveyer:

1301 W Grand A									•	
1501 W. Gland II	venue, Artes	ia, NM 88210	j	OIL CON	SERVA	ATIO	N DIVISION	Subi		ropriate District Office
District III				1220 South St. Francis Dr.						State Lease - 4 Copies
1000 Rio Brazos I	Rd., Aztec, N	JM 87410			anta Fe,					Fee Lease - 3 Copies
District IV				Sa	illia 1°C,	1AIAT C	31303			A ACTIVITY DEDODT
1220 S. St. Franci	is Dr., Santa							_		AMENDED REPORT
		WEI	L LOCA		ND AC	REAC	GE DEDICA			
	¹ API Numbe	er -		² Pool Code				³ Pool Na	me	
30	-015-325	30						wil	dcat Wol:	fcamp
⁴ Property	y Code				5 Pro	perty Nai	me			⁶ Well Number
0064					Indian	Hills	: Unit			50
⁷ OGRII						rator Na				⁹ Elevation
1402	21			1	_		Company			4118'
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r		<u> </u>						F 6	7 .037 .	
UL or lot no.	Section	Section Township Range Lot. Idn Feet from the North/South line Feet from the East/			East/West	line County				
K	16	21-S	24-E		1821	.'	South	2092'	West	Eddy
			11 Bott	tom Hole L	ocation	If Diffe	erent From Su	rface		
TTT 1-4	Section	Township	Range	Lot. Idn	Eggt f	rom the	North/South line	Feet from the	East/West	line County
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Marathon Oil Company INDIAN HILLS UNIT NO.50, slot #1 INDIAN BASIN, Eddy County New Mexico

PROPOSAL LISTING Page 1
Your ref : PLAN NO.1 2DJ FEB7

Last revised: 7-Feb-2003

Measured Depth	Inclin Degrees	Azimuth Degrees	True Vert Depth	RECTANGULAR COORDINATES		Dogleg Deg/100ft	Vert Sect	GRID C Easting	OORDS Northing
3950.00	0.00	205.62	3950.00	0.00N	0.00E	0.00	0.00	537185.50	446929.60
4050.00		205.62	4049.97	1.978	0.94W	2.50	2.18	537184.56	446927.63
4150.00	5.00	205.62	4149.75	7.865	3.77W	2.50	8.72	537181.73	446921.74
4250.00		205.62	4249.14	17.685	8.48W	2.50	19.61	537177.02	446911.92
4350.00	10.00	205.62	4347.97	31.398	15.06W	2.50	34.82	537170.44	446898.21
4450.00	12.50	205.62	4446.04	48.985	23.49W	2.50	54.33	537162.01	446880.62
4550.00		205.62	4543.17	70.41S	33.77W	2.50	78.09	537151.73	446859.19
4601.80		205.62	4593.05	83.01S	39.81W		92.06	537145.69	446846.59
5000.00		205.62	4975.25	183.75S	88.12W		203.79	537097.38	446745.85
5500.00		205.62	5455.17	310.258	148.79W		344.08	537036.71	446619.35
6000.00	16.30	205.62	5935.08	436.75S	209.45W	0.00	484.38	536976.05	446492.85
6500.00	16.30	205.62	6415.00	563.25S	270.12W	0.00	624.67	536915.38	446366.35
7000.00	16.30	205.62	6894.91	689.758	330.78W	0.00	764.96	536854.72	446239.85
7500.00	16.30	205.62	7374.83	816.245	391.45W		905.25	536794.05	446113.36
8000.00	16.30	205.62	7854.74	942.748	452.11W	0.00 1	1045.55	536733.39	445986.86
8500.00	16.30	205.62	8334.66	1069.248	512.78W	0.00 1	1185.84	536672.72	445860.36
8724.36	16.30	205.62	8550.00	1126.00S	540.00W	0.00 1	.248.79	536645.50	445803.60

All data in feet unless otherwise stated. Calculation uses minimum curvature method. Bottom hole distance is 1248.79 on azimuth 205.62 degrees from wellhead. Vertical section is from N 0.00 E 0.00 on azimuth 205.62 degrees. Coordinates from structure and TVD from rotary table. Grid is mercator - New Mexico East (3001).

Grid coordinates in FEET and computed using the Clarke - 1866 spheroid Presented by Baker Hughes INTEQ

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