



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

July 3, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Marathon Oil Company
c/o W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Telefax No. (505) 982-2047

Administrative Order NSL-4755 (BHL)

Dear Mr. Kellahin:

Reference is made to the following: (i) your application (*application reference No. pKRY0-201555225*) on behalf of the operator, Marathon Oil Company ("Marathon"), that was submitted to the New Mexico Oil Conservation Division ("Division") on January 14, 2002; (ii) the Division's initial response by letter dated February 14, 2002 from Mr. Michael E. Stogner, Engineer/Chief Hearing Officer in Santa Fe requesting verification and additional data to support your application; (iii) your response by letter dated February 28, 2002 with attachments; (iv) your conversation with Mr. Stogner on March 27, 2002 whereby Marathon was given verbal approval to commence drilling the well that is the subject to your request; (v) your e-mail message to Mr. Stogner of May 8, 2002; (vi) Mr. Walter Dueease's meeting in Santa Fe with Mr. Stogner in Santa Fe on May 20, 2002; (vii) Mr. Dueease's telephone conversation with Mr. Stogner on June 24, 2002; (viii) Mr. Dueease's e-mail of June 27, 2002 that contained an amendment to the original application and included attachments to complete this filing; (ix) Mr. Stogner's two e-mail messages to Mr. Dueease on June 27, 2002; (x) Mr. Dueease's reply by e-mail on June 28, 2002; (xi) two other e-mail messages from Mr. Stogner to Mr. Dueease on July 2, 2002 seeking clarification of the amended data; (xii) Mr. Dueease's three e-mails to the Division submitted on July 2, 2002 with the required information necessary to complete this filing; and (xiii) the Division's records in Santa Fe and Artesia: all concerning Marathon's request for a non-standard subsurface well location to be applicable to the Wolfcamp formation and the Undesignated Indian Basin-Upper Pennsylvanian Associated Pool (33685) for its recently drilled Indian Hills Unit Well No. 42 located on the surface 475 feet from the North line and 2522 feet from the East line (Lot 2/Unit B) of Section 20, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico. The S/2 equivalent of Section 17 (Lots 1 through 8), Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, being a standard 343.86-acre lay-down spacing and proration unit for both intervals is to be dedicated to this well.

The Division Director Finds That:

(1) Marathon is the current operator of the Indian Hills Unit Area (see Division Order No. R-2420, issued in Case No. 2748 on February 6, 1963) comprising the following described 4,480.00 acres, more or less, of Federal (3,640 acres, 81.25 %) and State (840 acres, 18.75 %) lands in Eddy County, New Mexico:

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM

Sections 16 and 17:	All
Sections 20 and 21:	All
Sections 28 and 29:	All
Section 33:	All.

(2) The Indian Basin-Upper Pennsylvanian Associated Pool currently comprises the following described area in Eddy County, New Mexico:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM

Section 36: E/2

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM

Section 16: W/2

Sections 20 and 21: All

Section 27: S/2

Sections 28 through 34: All

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM

Section 1: E/2

Section 12: E/2

Section 13: E/2

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM

Sections 2 through 10: All

Section 11: N/2

Sections 16 through 18: All.

(3) The area encompassing the Indian Basin-Upper Pennsylvanian Associated Pool and the upper-Pennsylvanian interval (Cisco and Canyon formations) within one-mile is currently governed by the "*Special Rules and Regulations for the Indian Basin-Upper Pennsylvanian Associated Pool*", as promulgated by New Mexico Oil Conservation Division ("Division") Order Nos. R-9922, R-9922-A, R-9922-B, R-9922-C, and R-9922-D and the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest New Mexico and Southeast New Mexico*", as promulgated by Division Order No. R-5353, as amended, which require standard 320-acre oil and gas spacing units with wells to be located no closer than 660 feet from the outer boundary of the proration unit nor closer than 330 feet from any quarter-quarter section line or subdivision inner boundary, and no more than one well per 80-acre tract shall be drilled or produced on a standard proration unit.

(4) The subject 343.86-acre spacing unit for this well comprising the S/2 equivalent of Section 17, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, is: (i) within one mile of the Indian Basin-Upper Pennsylvanian Associated Pool, which is the primary zone of interest for Marathon's Indian Hills Unit Well No. 42; and (ii) is considered to be "wildcat" in the Wolfcamp formation.

(5) The secondary Wolfcamp zone is currently subject to Division Rule 104.C (1), which provides for: (i) 320-acre spacing; and (ii) for the initial well to be no closer than 660 feet to any quarter section line nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary.

(6) Marathon initially spud the Indian Hills Unit Well No. 42 on April 4, 2002 and directionally drilled to a depth of 8985 feet. The estimated top of the Strawn was found at a depth of 8938 feet. During

drilling, severe lost circulation problems were encountered at 8258 feet. While attempting to log the well to TD the logging tools became stuck at 8854 feet. After an unsuccessful attempt to wash over the logging tools, the FMI, density, receptivity tools, as well as two joints of washpipe were left in the hole. At this point, Marathon elected to plug back the initial directional wellbore and sidetrack a new hole; however, while setting plugs on top of the washpipe and logging tools, Marathon again stuck the drill string at 8600 feet and left behind seven joints of heavy walled drill pipe and three joints of 2-7/8 inch AOH tubing. An abandonment plug was finally set at 7815 feet (presumably in a manner that meets with approval by the Division, the appropriate agency of the U. S. Department of the Interior, and the U. S. Department of Energy) and a kick-off plug was set at 5945 feet. This second sidetracked hole was kicked-off at a depth of 6170 feet in an east-northeasterly direction and TD'ed at 8935 feet. Due to severe circulation losses encountered at a depth of 8239 feet and expenses incurred on the well thus far, Marathon elected to TD the well at the base of the upper-Pennsylvanian interval (Canyon formation) and not pursue the Strawn as originally planned.

- (7) The actual subsurface location of the current direction wellbore at:
- (i) the top of the Wolfcamp formation at a measured depth of 7395 feet is 6 feet from the South line and 761 feet from the East line (Lot 8/Unit P) of Section 17, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico; and
 - (ii) the top of the Upper-Pennsylvanian interval (Cisco formation) at a measured depth of 8227 feet is 46 feet from the South line and 511 feet from the East line (Lot 8/Unit P) of Section 17.
- (8) The geologic interpretation submitted with this application indicates that the well drilled in this manner served to penetrate the Undesignated Indian Basin-Upper Pennsylvanian Associated Pool at a more favorable geologic position than a well drilled at a location considered to be standard within the S/2 equivalent of Section 17; furthermore, it is economically practical to utilize a single wellbore to test the secondary Wolfcamp interval.
- (9) The subject application for Marathon's proposed Indian Hills Unit Well No. 42 has been duly filed under the provisions of: (i) Division Rule 104.F; (ii) Division Rule 1207.A; (iii) 111.C (2); and (iv) Rule 2 (c) of the aforementioned associated oil and gas pool rules.

It Is Therefore Ordered That:

- (1) By the authority granted me under the provisions of Division Rules 104.F (2), as revised, and the applicable provisions of the rules governing the Indian Basin-Upper Pennsylvanian Associated Pool, Marathon Oil Company's ("Marathon") request for an unorthodox subsurface location in both the Wolfcamp formation and Undesignated Indian Basin-Upper Pennsylvanian Associated Pool (33685), as further described in Finding Paragraphs No. (6) and (7) above, for its Indian Hills Unit Well No. 42, located at a surface location 475 feet from the North line and 2522 feet from the East line (Lot 2/Unit B) of Section 20, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, is hereby approved.
- (2) Lots 1 through 8 (S/2 equivalent) of Section 17, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, being a standard 343.86-acre lay-down spacing and proration unit for both the Wolfcamp formation and the Undesignated Indian Basin-Upper Pennsylvanian Associated Pool, is to be

Administrative Order NSL-4755(BHL)

Marathon Oil Company

July 3, 2002

Page 4

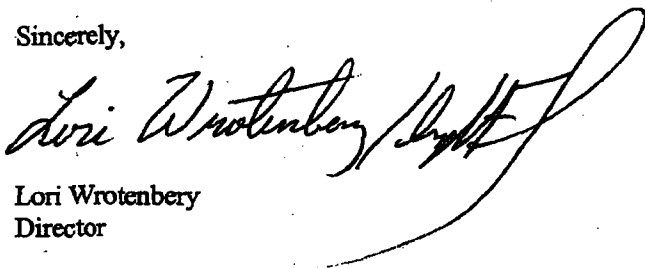
dedicated to this well.

(3) The aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to the Indian Basin-Upper Pennsylvanian Associated Pool.

(4) Further, Marathon shall comply with all provisions of Division Rule 111 applicable in this matter.

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
New Mexico State Land Office - Santa Fe
Walter Duecase - Marathon Oil Company, Midland



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

May 22, 2003

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702-0552
Attention: Steve Millican
SEMillican@MarathonOil.com

Administrative Order NSL-4755-A (BHL) (SD)

Dear Mr. Millican:

Reference is made to the following: (i) your application filed with the New Mexico Oil Conservation Division ("Division") on April 16, 2003 (*administrative application reference No. pKRV0-310738106*); and (ii) the Division's records in Santa Fe, including the file on Division Administrative Order NSL-4755 (BHL): all concerning Marathon Oil Company's ("Marathon") request for an exception to Rule 2 (b) of the "*Special Rules and Regulations for the Indian Basin-Upper Pennsylvanian Associated Pool*", as promulgated by New Mexico Oil Conservation Division ("Division") Order Nos. R-9922, R-9922-A, R-9922-B, R-9922-C, R-9922-D, and R-9922-E and the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest New Mexico and Southeast New Mexico*," as promulgated by Division Order No. R-5353, as amended, for its proposed Indian Hills Unit Well No. 52 to be drilled as an upper Pennsylvanian infill well to an unorthodox subsurface location within an existing standard 343.86-acre lay-down spacing and proration unit comprising Lots 1 through 8 (S/2 equivalent) of Section 17, Township 21 South, Range 24 East, NMPM, Indian Basin-Upper Pennsylvanian Associated Pool (33685), Eddy County, New Mexico.

This unit is currently dedicated to Marathon's Indian Hills Unit Well No. 42 (API No. 30-015-32355), located on the surface 475 feet from the North line and 2522 feet from the East line (Lot 2/Unit B) of Section 20, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, and completed within the Indian Basin-Upper Pennsylvanian Associated Pool at an unorthodox sub-surface location within Lot 8 (SE/4 SE/4 equivalent - Unit P) of Section 17, see Division Administrative Order NSL-4755 (BHL), dated July 3, 2002.

It is our understanding the proposed Indian Hills Unit Well No. 52, because of topographic reasons, will be spud at a surface location 1265 feet from the South line and 2073 feet from the East line (Lot 7/Unit O) of Section 17, and drilled directionally to the south to a targeted-bottomhole location at an approximate depth 8,700 feet (TVD) 69 feet from the South line and 2089 feet from the East line (Lot 7/Unit O) of Section 17. The wellbore is to intersect

Administrative Order NSL-4755-A (BHL) (SD)
Marathon Oil Company
May 22, 2003
Page 2

the top of the Upper-Pennsylvanian interval at an approximate depth of 7,900 feet (TVD) 280 feet from the South line and 2073 feet from the East line (Lot 7/Unit O) of Section 17. The proposed well will be unorthodox in that the entire producing interval will be closer than the standard setback distance of 660 from the South line of Section 17. Further, this bottom-hole location has been chosen by Marathon to optimize reservoir drainage and minimize geological risk.

This application has been duly filed under the provisions of Division Rule 104.F and Rule 2 (c) of the Division's associated pool rules.

By the authority granted me under the provisions of Division Rule 104.F (2) and the applicable provisions of the special rules governing the Indian Basin-Upper Pennsylvanian Associated Pool, the above-described unorthodox sub-surface location for the Indian Hills Unit Well No. 52 within the S/2 equivalent of Section 17 is hereby approved.

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to the Indian Basin-Upper Pennsylvanian Associated Pool.

Marathon is hereby authorized to simultaneously dedicate production attributed to the Indian Basin-Upper Pennsylvanian Associated Pool from the aforementioned Indian Hills Unit Wells No. 42 and 52. Furthermore, Marathon is permitted to produce the allowable assigned the subject 343.86-acre spacing and proration unit from both wells in any proportion.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
File: NSL-4755 (BHL)

CMD : ONGARD 04/13/04 08:31:46
 OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TP0S

API Well No : 30 15 32805 Eff Date : 10-30-2003 WC Status : A
 Pool Idn : 33685 INDIAN BASIN;UPPER PENN (ASSOC)
 OGRID Idn : 14021 MARATHON OIL CO
 Prop Idn : 6409 INDIAN HILLS UNIT

Well No : 052
 GL Elevation: 4207

U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
---	---	---	---	---	---	---
B.H. Locn	: 7	17	21S	24E	FTG 1265 F S FTG 2073 F E	P

Lot Identifier:

Dedicated Acre: 343.86

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD
OG6ACRE C102-DEDICATE ACREAGE
04/13/04 08:31:59
OGOMES -TP0S
Page No : 1

API Well No : 30 15 32805 Eff Date : 10-30-2003
Pool Idn : 33685 INDIAN BASIN;UPPER PENN (ASSOC)
Prop Idn : 6409 INDIAN HILLS UNIT
Spacing Unit : 58598 OCD Order : Simultaneous Dedication:
Sect/Twp/Rng : 17 21S 24E Acreage : 343.86 Revised C102? (Y/N) :
Dedicated Land:

Well No : 052

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
I	1	17	21S	24E	46.49	N	FD			
J	2	17	21S	24E	43.63	N	FD			
K	3	17	21S	24E	41.25	N	FD			
L	4	17	21S	24E	41.03	N	FD			
M	5	17	21S	24E	41.82	N	FD			
N	6	17	21S	24E	42.04	N	FD			
O	7	17	21S	24E	42.37	N	FD			
P	8	17	21S	24E	45.23	N	FD			

E0005: Enter data to modify or PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 04/13/04 08:32:08
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP0S
Page No: 1

OGRID Identifier : 14021 MARATHON OIL CO
Pool Identifier : 33685 INDIAN BASIN;UPPER PENN (ASSOC)
API Well No : 30 15 32805 Report Period - From : 01 2003 To : 02 2004

API Well No	Property Name	Prodn. Days	Production Volumes		Well	
		MM/YY Prod	Gas	Oil	Water	Stat

30 15 32805	INDIAN HILLS UNIT	01 04 31	53182	5032	54323	P

Reporting Period Total (Gas, Oil) : 53182 5032 54323

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

118

Garrett

N.M. Oil Cons. DIV-Dist. 2

SUBMIT IN TRIPPLICATE

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

5

UNITED STATES

DEPARTMENT OF THE INTERIOR, NM 88210

BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Marathon Oil Company

3. ADDRESS AND TELEPHONE NO.

P.O. Box 552 Midland, TX 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface

1265' FSL & 2073' FEL

At proposed prod. zone

100' FSL & 2100' FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15 NW of Carlsbad N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest dirg. unit line, if any)

100' BHL

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

* see below

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4207' G.L.

Carlsbad Controlled Water Basin

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8" K-55	36#	1800'	640 sks.
8-3/4"	7" K-55	23#/ 26#	8600'	1280 sks.

WITNESS

Marathon Oil Company is proposing to drill a directional Upper Perm Associated gas well to 8600'.

This well is Non Standard to the South boundary line of the Project Area.
The wells BHL is outside the Standard 660' Producing Area window.

*The BHL of the proposed IHU # 52 will be 1765' from the BHL of the IHU # 42 in U.L. "P" of Section 17.

NSL-4755-A (BHL)(SD)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Garrett

TITLE Engineer Tech.

DATE September 09, 2002

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval 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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

/S/ JOE G. LARA

TITLE

FIELD MANAGER

DATE: FEB 21 2003

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, 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.

APPROVAL FOR 1 YEAR

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
Expires: 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

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Marathon Oil Company

3a. Address

P.O. Box 552 Midland, TX 79702

3b. Phone No. (include area code)

915-687-8360

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SHL @ 1265' FSL & 2073' FEL Sec. 17, T-21-S, R-24-E

BHL Approx. 100' FSL & 2100' FEL Sec. 17, T-21-S, R-24-E

Eddy Co. N.M.

5. Lease Serial No.

LC-064243-A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

Indian Hills Unit

8. Well Name and No.

Indian Hills Unit # 52

9. API Well No.

10. Field and Pool, or Exploratory Area

Indian Basin U.P. Assoc.

11. County or Parish, State

Eddy

N.M.

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

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 is proposing to drill a directional well to 8700' TVD. This well will have a Non-Standard BHL Target. Well will be in the Indian Basin Upper Perm Associated Gas Pool.

Please find the New C-102 Acreage Dedication plat along with the Directional plan from Baker Inteq.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jerry Fletcher

Title

Engineer Tech.

Date

11/01/02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

IS/ JOE G. LARA

FIELD MANAGER

Date FEB 21 2003

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

CARLSBAD FIELD 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.

DISTRICT I

P.O. Box 1988, Hobbs, NM 88241-1988

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 33685	Pool Name Indian Basin Upper Penn. Assoc.
Property Code	Property Name INDIAN HILLS UNIT	Well Number 52
OGRID No. 14021	Operator Name MARATHON OIL COMPANY	Elevation 4207'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
7	17	21-S	24-E		1265	SOUTH	2073	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
7	17	21-S	24-E		100'	SOUTH	2100'	EAST	EDDY
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
320 S/2									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>Project Area</p> <p>LOT 4</p> <p>660'</p> <p>41.03 AC</p> <p>LOT 5</p> <p>41.82 AC</p>		<p>Standard Producing Area</p> <p>LOT 3</p> <p>41.25 AC</p> <p>LOT 6</p> <p>42.04 AC</p>		<p>LOT 2</p> <p>43.63 AC</p> <p>LOT 7</p> <p>42.37 AC</p>		<p>LOT 1</p> <p>660'</p> <p>46.49 AC</p> <p>LOT 8</p> <p>45.23 AC</p>	
<p>GEODETIC COORDINATES NAD 27 NME Y = 536748.8 X = 442733.4 LAT. 32°28'31.79"N LONG. 104°31'08.51"W</p>		<p>4191.3'</p> <p>4187.3'</p> <p>4199.7'</p> <p>4196.1'</p>		<p>2073'</p> <p>THU # 42 BHL</p>		<p>Non-Standard Producing Area</p>	

OPERATOR CERTIFICATION

I hereby certify the the information
contained herein is true and complete to the
best of my knowledge and belief.

Jerry Fletcher
Signature

Jerry Fletcher
Printed Name

Engineer Tech.
Title

11-01-02
Date

SURVEYOR 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.

AUGUST 26, 2002

Date Surveyed AWB

Signature of Surveyor
Professional Surveyor

Ronald J. Edson
NEW MEXICO
02.11.0629

Certificate No. RONALD J. EDSON 3239
CITY EDSON 12841

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires 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

☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Marathon Oil Company

3a. Address

P. O. Box 552, Midland, TX 79702-0552

3b. Phone No. (include area code)

(915) 682-1626

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 17, Township 21 South, Range 24 East, N.M.P.M.

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Indian Hills Unit

8. Well Name and No.

Indian Hills Unit #52

9. API Well No.

10. Field and Pool, or Exploratory Area

Indian Basin

11. County or Parish, State

Eddy County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recomple 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 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 site is ready for final inspection.)

Indian Hills Unit #52 Flowline ROW Section 17, T-21-S, R-24-E.

Marathon Oil Company proposes to install 2 flowlines from Indian Hills Unit #52 located on Section 17, T-21-S, R-24-E, and extending to Production Station 117 located on Section 17. The two flowlines will be constructed of 4" & 6" schedule 40, grade B, welded pipe and will be installed, on the surface, for a distance of approximately 1600feet in Section 17 as shown on John West Survey Plat #00111011. The flowlines are designed to transport 10 MMSCFD of gas, 400 BOPD and 10,000 BWPD. The flowlines and power lines will follow existing ROWs and roads. The Power Line hook up will be minimal 46' to existing power lines.

An archaeological survey for the route has been completed by Archaeological Survey Consultants and the report was previously submitted for original ROW.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Roger D. Edelbrock P.E.

Title Senior Construction Engineer

Signature

R D Edelbrock PE

Date September 11, 2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JOE G. LARA

FIELD MANAGER

Date FEB 21 2003

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 CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
Expires: 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
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Marathon Oil Company

3a. Address
P.O. Box 552 Midland, TX 79702

3b. Phone No. (include area code)
915-687-8366

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL @ 1265' FSL & 2073' FEL Sec. 17, T-21-S, R-24-E
BHL Approx. 100' FSL & 2100' FEL Sec. 17, T-21-S, R-24-E
Eddy Co. N.M.

5. Lease Serial No.

LC-064243-A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.
Indian Hills Unit

8. Well Name and No.
Indian Hills Unit # 52

9. API Well No.
30-015-32805

10. Field and Pool, or Exploratory Area
Indian Basin U.P. Assoc.

11. County or Parish, State
Eddy N.M.

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|--|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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 is proposing to extend the original permitted IHU # 52 pad to accommodate a second well to be staked just beside the IHU # 52. The pad will need to be extended approximately 25 feet to the North and 20 feet to the East.

If the newly staked second well for the pad should not be drilled, Marathon has agreed with Barry Hunt to DOWNSIZE the additions made to the original pad.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jerry Fletcher

Title

Engineer Tech.

Date

8/18/03

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

5. Lease Serial No.
NMLC064243A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM70964X

8. Well Name and No.
INDIAN HILLS UNIT 52

9. API Well No.
30-015-32805-00-X1

10. Field and Pool, or Exploratory
INDIAN BASIN UPPER PENN ASSOC

11. County or Parish, and State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

RECEIVED

JAN 21 2004

OCD-ARTESIA

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
MARATHON OIL COMPANY

Contact: CHARLES KENDRIX
E-Mail: cekendrix@marathonoil.com

3a. Address
P O BOX 552
MIDLAND, TX 79702

3b. Phone No. (include area code)
Ph: 713.296.2096
Fx: 713.296.3598

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL

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 checked="" type="checkbox"/> Other Well Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 site is ready for final inspection.)

Please see Word attachment for Spud and Surface casing details.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #26876 verified by the BLM Well Information System
For MARATHON OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/16/2004 (04AL0021SE)

Name (Printed/Typed) CHARLES KENDRIX

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 01/15/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**

ALEXIS C SWOBODA
Title PETROLEUM ENGINEER

Date 01/20/2004

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 Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Indian Hills Unit # 52 Spudded

09/19/2003 Drill out and set 40' of 16" conductor pipe Weld on surface flange and nipple up surface stack.

09/20/2003 Well spudded w/ 12 3/8" hammer bit air drilling to 150' lost returns at 150'. Put fluid pump on on well and freed pipe. POOH dumped 16 yards ready mix down hole to stabilize gravel and plug lost return area. Waited on cement to harden and air drilled from 55' to 180' with partial return of air. Drag encountered at 155' to 160'.

09/21/2003 Drill out tight spot from 180' to 192' hanging up. POOH dumped 10 yards of ready mix cement w/ Excellerator & 2% CACL. Wait on cement to harden RIH w/ 12 1/4" bit tagged up cement @145'. Air drilled through cement and down to 560'. Tight spots encountered at 156', and 175' to 180'.

09/22/2003 Air drilled from 560' to 866' having trouble picking up to make connections @ 653'. POOH to check hole, boulder across hole at 180' to 200', large wash out in that area. Cemented in boulder and filled wash out section with 48 yards ready mix. Wait on cement to harden.

09/23/2003 Drilled out cement 56' to 194' lost returns hole falling in. Cemented hole with 9 1/2 yards. Waited on cement drilled out 25' to 213' partial returns tight spot at 180' to 192'. Pulled up to make connection tagged back up at 165' worked pipe back down to 213. POOH Dumped 10 yards ready. Tagged cement with sand line at 150'. Dumped 5 yards ready mix cementing to 40'. Waited on cement to set.

09/24/2003 RIH w/ 12 1/4" bit drilled out 40' to 305'. Fell out of cement at 310' washed reamed and cleaned out hole to 866'. Drilled hole from 866' to 1385'.

09/25/2003 Air drilled from 1385' to 1832'. POOH with drilling string. RIH with 41 joints 9 5/8" 36# K-55 casing landed at 1832'. Rigged up Cementers pumped foamed cement w/ 10,000 scf of N2, 20 bbls of gelled water, 700 sacks of Foamed Premium Plus, 1.5% Zonesalant, 2% CaCl2, tailed with 100 sacks of Premium Plus w/ 1.5% Zonesalant, 2% CaCl2. Circulated 265 sacks. Capped w/ 75 sacks of Neat w/ 2% CaCl2. Wait on cement to set. Cut off 9 5/8" casing and welded on 9 5/8" 3M x SOW wellhead.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires: 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.

OCD-ARTESIA

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. NMLC064243A
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487		7. If Unit or CA/Agreement, Name and/or No. NMNM70964X
3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 713.499.6750		8. Well Name and No. INDIAN HILLS UNIT 52
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL		9. API Well No. 30-015-32805-00-X1
		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
		11. County or Parish, and State EDDY COUNTY, 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompletable 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 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 site is ready for final inspection.)

09/25/2003 Surface casing set and cemented (See sundry 01/15/2003)
09/26/2003 Installed wellhead and tested to 1500 psi. NU BOP, Hydril Choke, Tested pipe, blind rams, and kill line to 3000 psi. Air drilled 8.75" bit 1832' to 2310'.
09/27/2003 Air drilled 2310' to 3635'.
09/28/2003 Air drilled 3635' to 3990'. Loaded hole w/ fluid drilled from 3990' to 3996 Kick out and directional drill 3996' to 4141'.
09/29/2003 Directional drilled from 4141' to 4597'.
709/30/2003 to 10/07/2003 directional drilled from 4597' to 8764' TD.
10/07/2003 Ran open logs. Spectral Density, Dual Spaced Neutron, & Spectral Gamma Ray.
10/08/2003 Ran top to bottom 2 jts 7" 26# K-55 (88'), 100jts 7" 23# K-55 (4676')
85 jts 7" 26# K-55 (3940'), casing float collar, 1jt 7" 26# K-55 (47'), casing shoe.
10/09/2003 Pumped 50,000 SCF of N2, 10 bbls 2% CaCl2, 10 bbls water spacer.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #27206 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 01/27/2004 (04AL0041SE)	
Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/27/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	ALEXIS C SWOBODA Title PETROLEUM ENGINEER <i>acc</i>	Date 01/28/2004
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 Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #27206 that would not fit on the form

32. Additional remarks, continued

24 bbls Super flush, 10 bbls water 100 sks foamed acid sol. cement, 1100 sks foamed Premium Plus 2% Zonesalant. Tailed w/ 130 sks Mod. "H" cmt. Circ 150 sks. Capped w/ 75 sks Premium Plus. Set slips, cut off 7" casing.
NU 11"X 7 1/16" 3M tubing head.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS** RECEIVED
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. FFR 0 4 2004**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. NMLC064243A
2. Name of Operator MARATHON OIL COMPANY Contact: CHARLES KENDRIX E-Mail: cekendrix@marathonoil.com		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487	3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 716.499.6750	7. If Unit or CA/Agreement, Name and/or No. NMMN70964A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL		8. Well Name and No. INDIAN HILLS UNIT 52
		9. API Well No. 30-015-32805-00-S1
		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASS
		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

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 site is ready for final inspection.)

As required by ONSHORE ORDER #7, Marathon Oil Company is notifying you of existing and intended methods of water disposal from this well. Produced water from this well will be sent, via pipeline, to one of the wells listed under PRIMARY DISPOSAL on the attached sheets. If additional capacity is required, water may be sent via pipeline (if available) or truck hauled to any of the wells listed under SECONDARY DISPOSAL on the attached sheets.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #27342 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 01/30/2004 (04AL0060SE)	
Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/29/2004
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By LES BABYAK	Title PETROLEUM ENGINEER
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.	Date 02/02/04
Office Carlsbad	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.	

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: 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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

FFR 0 5 2004

OCD-ARTESIA

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC064243A
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487		7. If Unit or CA/Agreement, Name and/or No. NMNM70964A
3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 713.499.6750		8. Well Name and No. INDIAN HILLS UNIT 52
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL		9. API Well No. 30-015-32805-00-S1
		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
		11. County or Parish, and State EDDY COUNTY, 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recomple 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 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 site is ready for final inspection.)

10/16/2003 Installed BOP, set frac tank, set pipe racks.
10/17/2003 RIH w/ 6 1/8" bit, 7" casing scraper, 280 jts. Tagged PBTD @ 8714 Circ hole.
10/23/2003 Rig up Halliburton. Pickle tubing and casing w/ 1000 gals 15% acid. Reversed out clean.
Spot 1 bbls of brine and 750 gals of double inhib. 15% CCA.
10/24/2003 Ran GR/CCL from PBTD 8714' to 6800. Made 4 perf runs.
10/25/2003 Made 6 perf runs. 596 holes shot total from 8076' to 8448'. RIH w/
RBP and packer on 3 1/2" frac string. Set RBP @ 8500' set packer @ 8300'.
10/27/2003 Foamed acid frac'd well with 10,000 gals 17% CCA Sour. RIH released RBP. Reset RBP @
8330, set packer at 8030'. Foamed acid frac'd well with 15,000 gals 17% CCA Sour. Released packer
POOH lay down frac string.
10/28/2003 PU and assemble 455 stage FC1800 ESP. RIH on 272 jts 2 7/8" L-80 tubing SN @ 8489 Pump
intake @ 8579'. Ran two strings 3/8" coil tubing. Upper CT at 8130'. Lower CT @ 8390'.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #27463 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 02/02/2004 (04AL0083SE)	
Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 02/02/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	ALEXIS C SWOBODA Title PETROLEUM ENGINEER	Date 02/03/2004
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 Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #27463 that would not fit on the form

32. Additional remarks, continued

10/29/2003 Connect up ESP and well head. Start producing. Pump running in reverse.
10/30/2003 Change pump direction and started well to production.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires: 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.

FEB 09 2004

OCD-ARTESIA

SUBMIT IN TRIPLICATE - Other Instructions on reverse side.

5. Lease Serial No.
NMLC064243A
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
NMNM70964A
8. Well Name and No.
INDIAN HILLS UNIT 52
9. API Well No.
30-015-32805-00-S1
10. Field and Pool, or Exploratory
INDIAN BASIN UPPER PENN ASS
11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
MARATHON OIL COMPANY

Contact: CHARLES KENDRIX
E-Mail: cekendrix@marathonoil.com

3a. Address
P O BOX 3487
HOUSTON, TX 77253-3487

3b. Phone No. (include area code)
Ph: 713.296.2096
Fx: 716.499.6750

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

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 recomple 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 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 site is ready for final inspection.)

As required by ONSHORE ORDER #7, Marathon Oil Company is notifying you of existing and intended methods of water disposal from this well. Produced water from this well will be sent, via pipeline, to one of the wells listed under PRIMARY DISPOSAL on the attached sheets. If additional capacity is required, water may be sent via pipeline (if available) or truck hauled to any of the wells listed under SECONDARY DISPOSAL on the attached sheets.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #27342 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 01/30/2004 (04AL0060SE)	
Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/29/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LES BABYAK	Title PETROLEUM ENGINEER	Date 02/02/04
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 Carlsbad		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

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January 29, 2004

ATTACHMENT I

Marathon Oil Company Indian Basin

Primary Disposal: MOC Battery Disposal System

Operated By: Marathon Oil Company
Well Name: MOC SWD # 1
Location: UL "M", Section 7, T-20-S, R-25-E
Permit#: SWD 448

Operated By: Marathon Oil Company
Well Name: Indian Hills State Com # 7
Location: UL "F", Section 36, T-20-S, R-24-E
Permit #: SWD 570

Primary Disposal: IBGP Disposal System

Operated By: Marathon Oil Company
Well Name: AGI SWD # 1 State C
Location: UL "E", Section 23, T-21-S, R-23-E
Permit #: SWD 784

Operated By: Marathon Oil Company
Well Name: Marathon Federal # 1
Location: UL "K", Section 24, T-21-S, R-23-E
Permit #: SWD 55

Primary Disposal: Indian Hills Unit Disposal System

Operated By: Marathon Oil Company
Well Name: Rocky Hills #1 SWD
Location: UL "O", Section 19, T-21-S, R-24-E
Permit #: SWD 692

Operated By: Marathon Oil Company
Well Name: Rocky Hills #2 SWD
Location: UL "I" Section 20, T-21-S, R-24-E
Permit #: SWD 738

Operated By: Marathon Oil Company
Well Name: Indian Hills Unit #30 SWD
Location: UL "L", Section 20, T-21-S, R-24-E
Permit #: SWD 801

Secondary Disposal

Well Name: Springs SWD
Operator: Rowland
Location: Sec 27, T-20-S, R-26-E
Permit#: SWD 86

Well Name: BKE
Operator: Rowland
Location: Sec 13, T-23-S, R-27-E
Permit#: SWD 495

Well Name: Salty Bill SWD
Operator: Grace Oil
Location: Sec 36, T-22-S, R-26-E
Permit#: SWD 118, Fed ID # 850303046

January 29, 2004

Well Name: Big Eddy Federal 100 SWD (Whistle Stop)
Operator: Dakota Resources
Location: Unit "L", Sec 8, T-21-S, R-28-E
Permit#: SWD 461

Well Name: Dorstate SWD
Operator: Mesquite Services
Location: Sec 27, T25S, R26E
Permit#: SWD 247

Well Name: Aikman SWD State # 1
Location: Section 27, T-19-S, R-25-E
Permit#: SWD 417

Well Name: Holstun # 1 SWD
Operated By: Nearburg Producing Company
Location: Section 4, T-20-S, R-25-E
Permit#: R 9269

Well Name: Charolette McKay Federal # 1 SWD
Operated By: Yates Petroleum
Location: Section 25, T-20-S, R-25-E
Permit#: SWD 460

Well Name: Walter Solt State No. 1
Operator: I & W Inc.
Location: Unit "L", Sec 5, T-18-S, R-28-E
Permit#: SWD 318

Well Name: Dagger Draw Salt Water Disposal
Location: Sec 22, T-19-S, R-25-E
Permit#: R7637

Well Name: Myrtle-Myra WIW # 1
Operator: Ray Westfall
Location: Sec 21, T-21-S, R-27-E
Permit#: SWD 391

Solids that can't be hauled into one of these disposal sites will be sent to:

Well Name: CRI SWD
Location: Sec 27, T20S, R32E
Permit #: SWD R91166

NMOCD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: 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	2. Name of Operator MARATHON OIL COMPANY	Contact: CHARLES KENDRIX E-Mail: cekendrix@marathonoil.com	5. Lease Serial No. NMLC064243A
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487	3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 713.499.6750	10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC	6. If Indian, Allottee or Tribe Name
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached	11. County or Parish, and State EDDY COUNTY, NM		7. If Unit or CA/Agreement, Name and/or No. NMNM70964A
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			8. Well Name and No. <i>Indian Hills Unit #52</i>
TYPE OF SUBMISSION			9. API Well No. <i>30-015-32805</i>
TYPE OF ACTION			

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☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Surface Commingling

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 site is ready for final inspection.)

Please Amend the Indian Basin Field Commingle agreement as follows: Indian Hills Unit # 52 gross production will be sent to Station 117 along with production from Indian Hills Unit wells 25, 28, 31, 32, 37Y, 39, 40, 42, & 50. Gas from this well will be sent to the gas loop at Station 117. Produced fluids will be sent to the East Indian Basin Central Facility where the oil will be sold via LACT unit. Production volumes will be allocated based on well tests. The IHU # 52 will go into the test vessel through a shared line with Indian Hills Unit wells 28, 32, 39, & 50. The well will be isolated for test proposes to the test separator and other wells on the line will be routed to the production separators during testing of any individual well. Please see attachment 1 for Station 117 flows before addition of Indian Hills Unit # 52. Attachment 2 shows flow of product after the addition of # 52.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #27462 verified by the BLM Well Information System
For MARATHON OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 02/18/2004 (04LA0171SE)

Name (Printed/Typed) **CHARLES KENDRIX**Title **AUTHORIZED REPRESENTATIVE**

Signature (Electronic Submission)

Date **02/02/2004****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By ALEXIS C SWOBODA	Title PETROLEUM ENGINEER	Date 02/23/2004
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 Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #27462 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM70964A	NMLC064243A	INDIAN HILLS UNIT 52	30-015-32805-00-S1	Sec 17 T21S R24E SWSE Lot 7 1265FSL 2073FEL
NMNM70964A		FAC EIB E.I.B.CENTRAL PROD. FAC.		Sec 19 T21S R24E SWSE
NMNM70964A		FAC 117 IHU #117		Sec 17 T21S R24E SESW

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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FFR 0 3 2004

FORM APPROVED
OMB No. 1004-0137
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other			7. Unit or CA Agreement Name and No. NMNM70864A		
2. Name of Operator MARATHON OIL COMPANY			8. Lease Name and Well No. INDIAN HILLS UNIT 52		
3. Address P O BOX 3487 HOUSTON, TX 77253-3487			9. API Well No. 30-015-32805-00-S1		
3a. Phone No. (include area code) Ph: 713.286.2086			10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SWSE Lot 7 1265FSL 2073FEL At top prod interval reported below SWSE Lot 7 323FSL 2152FEL At total depth SWSE Lot 7 128FSL 2159FEL			11. Sec., T., R., M., or Block and Survey or Area Sec 17 T21S R24E Mer NMP		
14. Date Spudded 09/20/2003			15. Date T.D. Reached 09/30/2003		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/30/2003			17. Elevations (DF, KB, RT, GL)* 4207 GL		
18. Total Depth: MD 8764 TVD 8613		19. Plug Back T.D.: MD 8714 TVD 8566		20. Depth Bridge Plug Set: MD TVD	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) SPECTRALDENSITY NEUTRON SPECTRALGAMMARA			22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit analysis)		

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23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.375	9.625 K55	36.0		1832		875		0	
8.750	7.000 K55	28.0		8764		1405		0	

24. Tubing Record								
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	8489							

25. Producing Intervals				26. Perforation Record			
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status	
A) UPPER PENN	8050	8458	8117 TO 8448		598	SHOT IN 12 INT 4 PER FT. 120 DI	
B)							
C)							
D)							

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.	
Depth Interval	Amount and Type of Material
8030 TO 8330	STAGE 2: FOAMED ACID FRAC W/ 15,000 GALS OF 17% CCA SOUR
8300 TO 8500	STAGE 1: FOAMED ACID FRAC W/ 10,000 GALS OF 17% CCA SOUR

28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/30/2003	11/03/2003	24	→	92.0	901.0	1620.0			ELECTRIC PUMP SUB-SURFACE
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	220	170.0	→	92	901	1620	9793	PGW	

28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

ACCEPTED FOR RECORD

FEB 2 2004

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #27256 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
UPPER PENN	8050	8458		SAN ANDRES GLORIETA YESO BONE SPRINGS WOLFCAMP CISCO	1202 2862 3006 5146 7203 8050

32. Additional remarks (include plugging procedure):
Production Casing detail: All production casing is 7" K55 w/ two weights ran in the following sequence. 2 jts 26#
100 jts 23#
85 jts 26#
1 Float collar
1 ft 26#
Float shoe total depth 8784'
Notarized Inclination report and Directional survey are attached. The original copy of

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7 Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #27256 Verified by the BLM Well Information System.
For MARATHON OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/30/2004 (04AL0056SE)

Name (please print) CHARLES KENDRIX

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 01/29/2004

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****



McVAY DRILLING COMPANY
Post Office Box 924
Hobbs, New Mexico 88241
(505) 397-3311
FAX: 39-DRILL

Well Name and Number: Indian Hills Unit # 52

Location: Sec. 21, T21S, R24E

Operator: Marathon

Drilling Contractor: McVay Drilling Company

The undersigned certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>		<u>Degrees @ Depth</u>		<u>Degrees @ Depth</u>	
¼	300	16 ¼	5000	12 ¼	7626
¾	607	17	5251	11 ½	7848
¾	903	15 ½	5440	13 ½	8100
1	1212	16 ¼	5692	16	8414
¾	1521	15 ¼	5946	17 ¼	8603
¾	2046	15 ½	6134	18 ½	8667
¾	2392	16 ½	6325	18 ¾	8709
1 ¼	2836	16 ¼	6452		
1	3312	16 ¾	6643		
1	4023	17 ¼	6770		
1 ½	4086	16 ¼	7024		
14 ¼	4718	12 ½	7275		
15 ¾	4875	11 ½	7339		

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FEB 03 2004

OCD-ARTESIA

Drilling Contractor: McVay Drilling Company

By: [Signature]

Subscribed and sworn to before me this 8th day of October, 2003

[Signature]
Notary Public

My Commission Expires: 8-16-05

Lea County, New Mexico

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FEB 09 2004

OCD-ARTESIA

* * * NAUTICAL (Version 4.01) * * *

Well: Indian Hills Unit 52

Target Azimuth: 184.55

Closure Direction: 184

Target TVD: 8650

Calculation Method - Minimum Curvature

Measured Depth (ft)	Inclination (deg.)	Azimuth (deg.)	True Vertical Depth (ft)	Vertical Section (ft)	North/ South (ft)	East/ West (ft)	Closure (ft)	Build Rate (deg/ft)	Walk Rate (deg/ft)	Dogleg Severity (d/100')	Tool Face (deg)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	← Tie-In Data				
100.00	0.58	303.91	100.00	-0.25	0.28	-0.42	0.51	0.006	-0.561	0.58	gyro
200.00	1.18	302.30	199.99	-0.98	1.11	-1.71	2.04	0.006	-0.016	0.60	gyro
300.00	1.24	304.17	299.96	-1.99	2.27	-3.48	4.15	0.001	0.019	0.07	gyro
400.00	1.16	303.76	399.94	-3.02	3.44	-5.21	6.25	-0.001	-0.004	0.08	gyro
500.00	1.05	306.90	499.92	-4.00	4.56	-6.79	8.17	-0.001	0.031	0.13	gyro
600.00	0.80	290.87	599.91	-4.69	5.35	-8.17	9.77	-0.003	-0.160	0.36	gyro
700.00	0.73	290.29	699.90	-5.06	5.82	-9.42	11.08	-0.001	-0.006	0.07	gyro
800.00	0.79	304.74	799.89	-5.58	6.44	-10.59	12.39	0.001	0.145	0.20	gyro
900.00	0.72	305.18	899.88	-6.24	7.19	-11.87	13.71	-0.001	0.004	0.07	gyro
1,000.00	0.72	294.75	999.88	-6.78	7.82	-12.75	14.96	0.000	-0.104	0.13	gyro
1,100.00	0.97	296.37	1,099.87	-7.31	8.46	-14.08	16.42	0.003	0.016	0.25	gyro
1,200.00	1.06	301.93	1,199.85	-8.05	9.32	-15.62	18.19	0.001	0.056	0.13	gyro
1,300.00	0.85	294.59	1,299.84	-8.73	10.12	-17.08	19.85	-0.002	-0.073	0.24	gyro
1,400.00	0.91	280.59	1,399.82	-9.07	10.57	-18.54	21.34	0.001	-0.140	0.22	gyro
1,500.00	0.96	271.66	1,499.81	-9.11	10.74	-20.15	22.84	0.000	-0.089	0.15	gyro
1,600.00	0.83	272.83	1,599.80	-9.05	10.80	-21.72	24.26	-0.001	0.012	0.13	gyro
1,700.00	0.71	259.04	1,699.79	-8.86	10.72	-23.05	25.42	-0.001	-0.138	0.22	gyro
1,800.00	0.50	250.69	1,799.78	-8.52	10.46	-24.07	26.24	-0.002	-0.084	0.23	gyro
1,900.00	0.43	251.50	1,899.78	-8.19	10.20	-24.83	26.85	-0.001	0.008	0.07	gyro
2,000.00	0.45	251.03	1,999.78	-7.89	9.95	-25.56	27.43	0.000	-0.005	0.02	gyro
2,100.00	0.51	249.62	2,099.77	-7.55	9.67	-26.35	28.07	0.001	-0.014	0.06	gyro
2,200.00	0.51	246.15	2,199.77	-7.15	9.33	-27.18	28.73	0.000	-0.035	0.03	gyro
2,300.00	0.50	246.24	2,299.77	-6.73	8.98	-27.98	29.39	0.000	0.001	0.01	gyro
2,400.00	0.34	240.77	2,399.76	-6.36	8.66	-28.64	29.92	-0.002	-0.055	0.16	gyro
2,500.00	0.46	220.38	2,499.76	-5.87	8.21	-29.16	30.29	0.001	-0.204	0.18	gyro
2,600.00	0.57	220.57	2,599.76	-5.14	7.52	-29.74	30.68	0.001	0.002	0.11	gyro
2,700.00	0.64	191.97	2,699.75	-4.18	6.60	-30.18	30.89	0.001	-0.286	0.31	gyro
2,800.00	0.47	179.67	2,799.75	-3.22	5.64	-30.30	30.82	-0.002	-0.123	0.21	gyro
2,900.00	0.45	190.76	2,899.74	-2.42	4.85	-30.37	30.75	0.000	0.111	0.09	gyro
3,000.00	0.67	215.24	2,999.74	-1.53	3.98	-30.78	31.03	0.002	0.245	0.32	gyro
3,100.00	0.75	200.93	3,099.73	-0.40	2.89	-31.35	31.48	0.001	-0.143	0.19	gyro
3,200.00	0.93	196.22	3,199.72	1.03	1.50	-31.81	31.84	0.002	-0.047	0.19	gyro
3,300.00	0.93	198.42	3,299.71	2.61	-0.05	-32.29	32.29	0.000	0.022	0.04	gyro
3,400.00	1.03	189.60	3,399.69	4.29	-1.70	-32.70	32.74	0.001	-0.088	0.18	gyro
3,500.00	0.83	178.60	3,499.68	5.91	-3.31	-32.83	33.00	-0.002	-0.110	0.27	gyro
3,600.00	0.83	190.81	3,599.67	7.35	-4.75	-32.95	33.29	0.000	0.122	0.18	gyro
3,700.00	0.75	189.18	3,699.66	8.72	-6.11	-33.19	33.75	-0.001	-0.016	0.08	gyro
3,800.00	0.50	200.78	3,799.65	9.79	-7.16	-33.45	34.21	-0.003	0.116	0.28	gyro
3,850.00	0.37	202.10	3,849.65	10.15	-7.51	-33.59	34.42	-0.003	0.026	0.26	gyro
3,900.00	0.44	211.60	3,899.65	10.87	-8.20	-33.94	34.92	0.001	0.086	0.09	mwd
4,023.00	0.88	207.09	4,022.65	11.53	-8.84	-34.29	35.41	0.007	-0.072	0.70	mwd
4,086.00	1.40	202.20	4,085.63	12.71	-9.98	-34.80	36.20	0.008	-0.078	0.84	mwd
4,148.00	2.60	196.90	4,147.59	14.81	-12.03	-35.49	37.48	0.019	-0.085	1.96	mwd
4,211.00	3.50	198.70	4,210.50	18.07	-15.22	-36.53	39.57	0.014	0.029	1.44	mwd
4,274.00	4.60	199.30	4,273.35	22.38	-19.42	-37.98	42.66	0.017	0.010	1.75	mwd
4,337.00	5.70	200.40	4,336.09	27.83	-24.74	-39.90	46.95	0.017	0.017	1.75	mwd
4,400.00	7.10	203.20	4,398.70	34.53	-31.25	-42.53	52.78	0.022	0.044	2.28	mwd
4,464.00	8.70	205.70	4,462.09	42.79	-39.25	-46.18	60.61	0.025	0.039	2.56	mwd
4,527.00	10.20	204.90	4,524.23	52.46	-48.60	-50.60	70.16	0.024	-0.013	2.39	mwd
4,591.00	11.70	204.30	4,587.06	63.89	-59.66	-55.66	81.59	0.023	-0.009	2.35	mwd
4,654.00	12.80	205.30	4,648.63	76.42	-71.79	-61.27	94.38	0.017	0.016	1.78	mwd
4,718.00	14.20	205.30	4,710.86	90.39	-85.30	-67.65	108.87	0.022	0.000	2.19	mwd
4,780.00	15.40	203.90	4,770.80	105.27	-99.70	-74.24	124.30	0.019	-0.023	2.02	mwd

* * * N A U T I C A L (V e r s i o n 4 . 0 1) * * *

Well: Indian Hills Unit 52

Target Azimuth: 184.55

Closure Direction: 184

Target TVD: 8650

Calculation Method - Minimum Curvature

Measured Depth (ft)	Inclination (deg.)	Azimuth (deg.)	True Vertical Depth (ft)	Vertical Section (ft)	North/ South (ft)	East/ West (ft)	Closure (ft)	Build Rate (deg/ft)	Walk Rate (deg/ft)	Dogleg Severity (d/100')	Tool Face (deg)
4,843.00	15.80	202.50	4,831.48	121.33	-115.27	-80.91	140.83	0.006	-0.022	0.87 mwd	
4,939.00	16.10	200.40	4,923.78	148.56	-139.82	-90.55	168.58	0.003	-0.022	0.68 mwd	
5,000.00	16.20	197.60	4,982.38	162.99	-155.86	-96.07	183.09	0.002	-0.046	1.29 mwd	
5,083.00	16.20	191.60	5,042.88	180.27	-172.85	-100.50	199.94	0.000	-0.095	2.66 mwd	
5,124.00	16.30	185.20	5,101.45	197.28	-189.71	-102.98	215.86	0.002	-0.105	2.94 mwd	
5,187.00	16.70	179.60	5,181.86	215.14	-207.57	-103.72	232.04	0.006	-0.089	2.60 mwd	
5,251.00	17.10	176.50	5,223.10	233.62	-226.15	-103.08	248.54	0.006	-0.048	1.54 mwd	
5,313.00	16.60	176.80	5,282.43	251.42	-244.09	-102.03	264.56	-0.008	0.005	0.82 mwd	
5,377.00	16.00	177.20	5,343.86	269.23	-262.03	-101.09	280.86	-0.009	0.006	0.95 mwd	
5,440.00	15.60	178.60	5,404.48	286.26	-279.17	-100.46	296.70	-0.006	0.022	0.88 mwd	
5,504.00	15.50	180.00	5,466.14	303.35	-296.33	-100.25	312.83	-0.002	0.022	0.61 mwd	
5,565.00	16.00	178.90	5,524.85	319.84	-312.88	-100.09	328.50	0.008	-0.018	0.95 mwd	
5,629.00	16.30	177.50	5,586.32	337.53	-330.68	-99.53	345.33	0.005	-0.022	0.77 mwd	
5,692.00	16.30	177.20	5,646.79	355.07	-348.34	-98.71	362.05	0.000	-0.005	0.13 mwd	
5,756.00	15.70	176.80	5,708.31	372.56	-365.96	-97.79	378.80	-0.009	-0.006	0.95 mwd	
5,819.00	16.10	175.80	5,768.90	389.64	-383.18	-96.67	395.18	0.006	-0.016	0.77 mwd	
5,882.00	16.00	175.80	5,829.44	406.85	-400.55	-95.40	411.75	-0.002	0.000	0.16 mwd	
5,946.00	15.30	173.60	5,891.07	423.86	-417.74	-93.81	428.14	-0.011	-0.034	1.43 mwd	
6,009.00	16.00	175.40	5,951.74	440.60	-434.65	-92.19	444.32	0.011	0.029	1.35 mwd	
6,072.00	15.90	175.40	6,012.31	457.69	-451.91	-90.80	460.94	-0.002	0.000	0.16 mwd	
6,134.00	15.40	175.10	6,072.01	474.19	-468.58	-89.41	477.03	-0.008	-0.005	0.82 mwd	
6,198.00	15.60	176.90	6,133.69	491.11	-485.64	-88.22	493.59	0.003	0.028	0.81 mwd	
6,261.00	16.50	177.20	6,194.23	508.37	-503.03	-87.33	510.56	0.014	0.005	1.43 mwd	
6,325.00	16.40	176.80	6,255.61	526.34	-521.13	-86.38	528.24	-0.002	-0.006	0.24 mwd	
6,388.00	16.50	175.40	6,316.03	543.99	-538.93	-85.16	545.82	0.002	-0.022	0.65 mwd	
6,452.00	16.20	175.40	6,377.44	561.77	-556.89	-83.72	563.14	-0.005	0.000	0.47 mwd	
6,515.00	16.30	174.30	6,437.93	579.15	-574.44	-82.14	580.29	0.002	-0.017	0.51 mwd	
6,578.00	16.70	174.30	6,498.33	596.76	-592.25	-80.36	597.67	0.006	0.000	0.63 mwd	
6,642.00	16.70	173.60	6,559.63	614.83	-610.54	-78.42	615.55	0.000	-0.011	0.31 mwd	
6,706.00	17.05	171.90	6,620.88	633.02	-628.96	-76.07	633.55	0.005	-0.027	0.95 mwd	
6,770.00	17.30	171.90	6,682.02	651.48	-647.67	-73.41	651.82	0.004	0.000	0.39 mwd	
6,833.00	16.60	174.40	6,742.29	669.45	-665.90	-71.21	669.70	-0.011	0.040	1.60 mwd	
6,897.00	15.90	177.60	6,803.73	687.16	-683.76	-69.95	687.33	-0.011	0.050	1.78 mwd	
6,960.00	15.80	179.60	6,864.34	704.27	-700.96	-69.53	704.40	-0.002	0.032	0.88 mwd	
7,024.00	16.30	178.20	6,925.84	721.87	-718.65	-68.19	721.97	0.008	-0.022	0.99 mwd	
7,088.00	16.00	178.60	6,987.31	739.57	-736.45	-68.69	739.64	-0.005	0.006	0.50 mwd	
7,150.00	15.60	181.40	7,048.97	756.40	-753.32	-68.69	756.45	-0.006	0.045	1.39 mwd	
7,213.00	13.80	180.30	7,107.91	772.35	-769.31	-68.93	772.39	-0.029	-0.017	2.89 mwd	
7,275.00	12.30	182.40	7,168.31	788.32	-783.30	-69.25	786.35	-0.024	0.034	2.54 mwd	
7,339.00	11.60	182.80	7,230.92	799.57	-796.54	-69.85	799.59	-0.011	0.006	1.10 mwd	
7,402.00	11.40	183.20	7,292.65	812.12	-809.08	-70.51	812.15	-0.003	0.006	0.34 mwd	
7,466.00	10.80	182.10	7,355.46	824.44	-821.39	-71.08	824.46	-0.009	-0.017	0.99 mwd	
7,530.00	11.30	183.50	7,418.27	836.70	-833.64	-71.68	836.71	0.008	0.022	0.89 mwd	
7,594.00	11.90	186.00	7,480.96	849.56	-846.46	-72.75	849.58	0.009	0.039	1.22 mwd	
7,657.00	12.20	184.90	7,542.57	862.71	-859.55	-74.00	862.73	0.005	-0.017	0.60 mwd	
7,721.00	11.30	181.40	7,605.23	875.74	-872.56	-74.73	875.75	-0.014	-0.055	1.79 mwd	
7,785.00	11.20	179.70	7,668.00	888.19	-885.04	-74.85	888.20	-0.002	-0.027	0.54 mwd	
7,848.00	11.40	183.50	7,729.78	900.51	-897.38	-75.20	900.52	0.003	0.060	1.22 mwd	
7,912.00	10.80	184.90	7,792.59	912.83	-909.66	-76.10	912.84	-0.009	0.022	1.03 mwd	
7,975.00	10.80	184.50	7,854.47	924.64	-921.43	-77.07	924.65	0.000	-0.006	0.12 mwd	
8,037.00	11.80	186.70	7,915.27	936.78	-933.52	-78.26	936.79	0.016	0.035	1.76 mwd	
8,100.00	13.40	188.10	7,976.75	950.51	-947.14	-80.04	950.52	0.025	0.022	2.59 mwd	
8,164.00	14.70	182.80	8,038.84	966.03	-962.59	-81.48	966.04	0.020	-0.083	2.86 mwd	
8,227.00	15.70	179.80	8,099.63	982.51	-979.10	-81.81	982.52	0.016	-0.051	2.07 mwd	

* * * N A U T I C A L (V e r s i o n 4 . 0 1) * * *

Well: Indian Hills Unit 52

Target Azimuth: 184.55

Closure Direction: 184

Target TVD: 8850

Calculation Method - Minimum Curvature

Measured Depth (ft)	Inclination (deg.)	Azimuth (deg.)	True Vertical Depth (ft)	Vertical Section (ft)	North/ South (ft)	East/ West (ft)	Closure (ft)	Build Rate (deg/ft)	Walk Rate (deg/ft)	Dogleg Severity (d/100')	Tool Face (deg)
8,289.00	15.90	179.30	8,159.29	999.32	-995.98	-81.65	999.33	0.003	-0.005	0.35	mwd
8,353.00	15.90	180.30	8,220.84	1,016.79	-1,013.52	-81.59	1,016.80	0.000	0.016	0.43	mwd
8,414.00	16.10	181.00	8,279.48	1,033.57	-1,030.33	-81.78	1,033.57	0.003	0.011	0.46	mwd
8,477.00	16.70	181.00	8,339.91	1,051.32	-1,048.11	-82.09	1,051.32	0.010	0.000	0.95	mwd
8,541.00	17.50	180.30	8,401.08	1,070.10	-1,068.93	-82.30	1,070.10	0.013	-0.011	1.29	mwd
8,603.00	17.70	182.50	8,460.18	1,088.81	-1,085.67	-82.76	1,088.82	0.003	0.035	1.12	mwd
8,667.00	18.40	184.20	8,521.03	1,108.64	-1,105.46	-83.93	1,108.64	0.011	0.027	1.37	mwd
8,709.00	18.80	183.90	8,560.84	1,122.03	-1,118.83	-84.87	1,122.04	0.010	-0.007	0.98	mwd
8,764.00	18.80	183.90	8,612.91	1,139.76	-1,136.51	-86.08	1,139.76	0.000	0.000	0.00	proj

2/3/2004

Wellbore Diagram

r263

30-015-32805-00-00

INDIAN HILLS UNIT No. 052

Company Name: MARATHON OIL CO

Location: Sec: 17 T: 21S R: 24E Spot:

String Information

Lat/Long:

Property Name: INDIAN HILLS UNIT

County Name: Eddy

Cement Information

Perforation Information

Formation Information

St Code	Formation	Depth
Psa	San Andres	1202
Pgl	Glorieta	2862
Py	Yeso Formation	3006
Pbs	Bone Spring	5146
Pbs3sd	3rd Bone Spring Sand	6795
Pwc	Wolfcamp	7203
Ppund	Pennsylvanian	8050

Hole: Unknown

TD: 0

TVD: 0

PBTD: 0

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

5
Form C-104
Revised March 25, 1999

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Marathon Oil Company P.O. Box 3487 Houston, Texas 77253-3487		² OGRID Number 014021
⁴ API Number 30-0 30-015-32805		³ Reason for Filing Code New Well
⁵ Pool Name Indian Basin Upper Penn Associated Gas Pool	⁶ Pool Code 33685	
⁷ Property Code 6409	⁸ Property Name Indian Hills Unit	⁹ Well Number 52

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
7	17	21S	24E		1265	FSL	2073	FEL	EDDY

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
7	17	21S	24E		128	FSL	2159	FEL	EDDY

¹² Lse Code F	¹³ Producing Method Code PUMPING	¹⁴ Gas Connection Date 10/30/2003	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
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III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
138648	AMOCO PIPELINE TRUCKS 502 N. WEST AVENUE LEWELLAND, TEXAS 79336	2816323	OIL	UL "P" SECTION 19, T-21-S R-24-E LOT 12
14035	MARATHON OIL COMPANY P.O. BOX 1324 ARTESIA, NEW MEXICO 88211-1324	2823213	GAS	UL "P" SECTION 19, T-21-S, R-24-E LOT 12
				RECEIVED
				FEB 03 2004
				OCD-ARTESIA

IV. Produced Water

²³ POD 2829027	²⁴ POD ULSTR Location and Description UL "P", Lot 12, Section 19, T-21-S, R-24-E
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V. Well Completion Data

²⁵ Spud Date 09/20/2003	²⁶ Ready Date 10/30/2003	²⁷ TD 8764	²⁸ PBTB 8714	²⁹ Perforations	³⁰ DHC, MC
³¹ Hole Size 12.375	³² Casing & Tubing Size 9.625	³³ Depth Set 1832	³⁴ Sacks Cement 875		
8.750	7.00	8764	1405		

VI. Well Test Data

³⁵ Date New Oil 10/31/2003	³⁶ Gas Delivery Date 10/31/2003	³⁷ Test Date 11/03/2003	³⁸ Test Length 24	³⁹ Tbg. Pressure 220	⁴⁰ Csg. Pressure 170
⁴¹ Choke Size N/A	⁴² Oil 92	⁴³ Water 1620	⁴⁴ Gas 901	⁴⁵ AOF PUMPING	⁴⁶ Test Method

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Charles E. Kendrick*

Printed name: **Charles E. Kendrick**

Title: **Engineer Technician**

Date: **01/29/2003**

Phone: **713-296-2096**

OIL CONSERVATION DIVISION
Approved by: *Jim W. Green*

Title: **SUPERVISOR, DISTRICT II**

Approval Date:

FEB 03 2004

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature

Printed Name

Title

Date