

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

OPERATOR'S COPY APPROVED
OMB NO. 1004-0137

Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

<p>1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____</p> <p>b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____</p>	<p>3. LEASE DESIGNATION AND SERIAL NO. LC-06293</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. UNIT AGREEMENT NAME INDIAN HILLS UNIT</p>
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<p>2. NAME OF OPERATOR Marathon Oil Company</p>	<p>8. FARM OR LEASE NAME, WELL NO. INDIAN HILLS UNIT #10</p>
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<p>3. ADDRESS AND TELEPHONE NO. P.O. Box 552 Midland, TX 79702 915-682-1626</p>	<p>9. API WELL NO. 30-015-30571</p>
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<p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*</p> <p>At surface UL "E", 2080' FNL & 660' FWL, SECTION 28, T-21-S, R-24-E</p> <p>At top prod. interval reported below UL "E", 2080' FNL & 660' FWL, SECTION 28, T-21-S, R-24-E</p> <p>At total depth SAME AS ABOVE</p>	<p>10. FIELD AND POOL, OR WILDCAT INDIAN BASIN UPPER PENN ASSOCIATED</p> <p>11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SECTION 28, T-21-S, R-24-E</p>
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14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH EDDY	13. STATE NM
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15. DATE SPUDDED 2/16/99	16. DATE T.D. REACHED 3/1/99	17. DATE COMPL. (Ready to prod.) 3/14/99	18. ELEVATIONS (DF, RKB, RT, OR, ETC.)* KB - 3780'; GL - 3763'	19. ELEV. CASINGHEAD
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20. TOTAL DEPTH, MD & TVD 8190' MD & TVD	21. PLUG, BACK T.D., MD & TVD 8123' MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY ALL	ROTARY TOOLS ALL	CABLE TOOLS
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24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* UPPER PENN ZONE FROM 7412' - 7998'	25. WAS DIRECTIONAL SURVEY MADE NO
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26. TYPE ELECTRIC AND OTHER LOGS RUN NATURAL GAMMA RAY SPECTROSCOPY, PLATFORM EXPRESS MICRO-CFL/NGT, CNL/NGT	27. WAS WELL CORED NO
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28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
14" CONDUCTOR		40'		CEMENT TO SURFACE	
9-5/8" K-55	36#	1221'	12-1/4"	555 SX. 1" TO SURF. W/150 SX	
7" K-55	23# & 26#	8190'	8-3/4"	350 SX FOAMED. 2nd STG 650 SX	11 SX CIRC

29. LINER RECORD **30. TUBING RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	7920'	RBP-7925'

<p>31. PERFORATION RECORD (Interval, size and number) 7416' - 7438', 7452' - 7470', 7481' - 7500' (236 HOLES @ 4 JSPF W/4" PORT PLUG GUNS)</p>	<p>32. ACID SHOT, FRACTURE CEMENT SQUEEZE, ETC.</p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>DEPTH INTERVAL (MD)</th> <th>AMOUNT AND KIND OF MATERIAL USED</th> </tr> </thead> <tbody> <tr> <td>7416' - 7500'</td> <td>4650 GALS 15% HCl & CCA SOUR</td> </tr> </tbody> </table>	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED	7416' - 7500'	4650 GALS 15% HCl & CCA SOUR
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7416' - 7500'	4650 GALS 15% HCl & CCA SOUR				

33. PRODUCTION

DATE FIRST PRODUCTION 3/17/99	PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) P-7 SUBMERSIBLE PUMP W/2 M-5 MOTORS	WELL STATUS (Producing or shut-in) PRODUCING
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DATE OF TEST 3/24/99	HOURS TESTED 24	CHOKE SIZE FULL OPEN	PRODN. FOR TEST PERIOD 3	OIL - BBL 1646	GAS - MCF 3329	WATER - BBL 548,667	GAS - OIL RATIO 46.3
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FLOW, TUBING PRESS. 340	CASING PRESSURE 270	CALCULATED 24-HOUR RATE	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (CORR.) 46.3
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34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SOLD	TEST WITNESSED BY
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35. LIST OF ATTACHMENTS LOGS & INCLINATION SURVEY	<p>ACCEPTED FOR RECORD <i>[Signature]</i> APR 19 1999</p>
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36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records	<p>SIGNED <u><i>Ginny Larke</i></u> TITLE Engineer Technician</p>	DATE 3/31/99
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*(See instructions and spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (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):

GEOLOGIC MARKERS

FORMATION:	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
UPPER PENN	7412	7998	DOLOMITE, LIMESTONE, SHALE; GAS, OIL & WATER	SAN ANDRES	835	
				GLORIETA	2430	
				YESO	2539	
				3RD BONE SPR LIME	5065	
				3RD BOND SPR SAND	6573	
				WOLFCAMP SHALE	6716	
				UPPER PENN	7412	

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.

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. NM LC-06293
2. Name of Operator Marathon Oil Company		6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 552 Midland, TX 79702	3b. Phone No. (include area code) 1-800-351-1417	7. If Unit or CA/Agreement, Name and/or No. INDIAN HILLS UNIT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) U.L. "E" 2080' FNL & 660' FWL SEC. 28, T21S, R24E		8. Well Name and No. INDIAN HILLS UNIT 10
		9. API Well No. 30-015-30571
		10. Field and Pool, or Exploratory Area INDIAN BASIN, U. PENN
		11. County or Parish, State EDDY NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 <u>SPUD & CSG</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>OPERATIONS</u>
	<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 recomplate 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 final site is ready for final inspection.)

2/15/99, MIRU McVay # 4, Spud 12.25" hole @ 1000 hrs, 2/16/99. Drilled to 1221'. Ran 29 jts, 9.625", 36 #, K-55, STC casing to 1230', shoe @ 1221', Float collar @ 1180'. Cemented w/ 200 sx Thixset Wt-14.0, yield- 1.52, followed by 150 sx. Premium plus Wt - 12.4, yield - 2.02. Tailed in w/ 200 sx premium plus neat, Wt 14.8, yield - 1.34. Did not circulate cement. Tagged cement @ 255'. Cemented w/ 1" tubing, 150 sx, Class "C" in 3 stages to 255'. Cemented to surface w/ 5 x cement. Welded 9.625" SOW X 11" 3M casing head. Tested weld to 1500 psi. N.U. 11" 3M dual ram and annular BOPE, choke manifold and kill line. Tested BOPE to 3000/300 psi. Tested annular to 2000 psi. P.U. 8.75" bit and TIH to TOC @ 1158', tested casing to 1000 psi. Drilled shoe and formation to 8190' TD @ 1300 hrs 3/1/99. R.U. Schlumberger, ran Platform - Express w/ HALS/NGT 8041' - Surface.

Changed rams to 7", ran 75 jts, 26 #, K-55, 105 jts, 23 #, K-55, 2 jts, 26 #, K-55 LTC casing to 8190'. Shoe @ 8148', float collar @ 8142', ECP @ 6294', D.V. @ 6284'. Cemented 1st. stage w/ 125 sx Premium Plus w/ 3510 Scf N2, Wt - 9.2, yield - 1.18. Tailed in w/ 225 sx Premium Plus foamed w/ 150 SCF N2, Wt - 13.2, yield 1.18. Set ECP & dropped bomb, opened D.V. tool @ 6284', circulated out gas and water, had full returns, did not circulate cement. Cemented 2nd stage w/ 550 sx. Interfil C w/ .25 p.p.s. flocele, 3 p.p.s. Gilsonite, .2% Halad - 22, Wt - 11.9, yield - 2.47. Tailed in w 100 sx neat. Plug down @ 0145 hrs, 3/20/99. Circulated 11 sx to surface.

ND BOPE and set slips, NU 11" 3M X 7 1/16" 3M tubing spool. Tested seals to 1000 psi. Released rig @ 2000 hrs 3/4/99

ACCEPTED FOR RECORD
AUG 19 1999
acs

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) R. J. LONGMIRE	<i>Walter J. Amos</i>	Title DRILLING SUPERINTENDENT
Date 8/17/99		

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, 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.

MARATHON OIL COMPANY
Attachment to Form C-142

INDIAN HILLS UNIT WELL NO. 10
API NO. 30-015-30571

Field	Working Interest Owners	Working Interest %	NRI %
Indian Hills Unit Wells #1, #8 #9, #10, #12, #17 & #19 Sec. 21, 28, & 33 T-21-S, R-24-E D. O. #8200214	MOC Nearburg Exploration	99.54544 0.45456	83.07133 0.38562