

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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|--|--|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM3802 |
| 2. Name of Operator MARATHON OIL COMPANY | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P O BOX 3128 HOUSTON, TX 77253 | | 7. If Unit or CA/Agreement, Name and/or No. NMNM71190 |
| 3b. Phone No. (include area code) Ph: 800.351.1417 Ext: 8104 Fx: 915.687.8196 | | 8. Well Name and No. MERSHON GAS COM 1 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T22S R23E NENE 990FNL 990FEL | | 9. API Well No. 30-015-20241-00-S1 |
| 11. County or Parish, and State EDDY COUNTY, NM | | 10. Field and Pool, or Exploratory INDIAN BASIN |

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"/> Subsequent Report | <input type="checkbox"/> Alter Casing |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Change Plans |
| | <input type="checkbox"/> Convert to Injection |
| | <input type="checkbox"/> Deepen |
| | <input type="checkbox"/> Fracture Treat |
| | <input type="checkbox"/> New Construction |
| | <input checked="" type="checkbox"/> Plug and Abandon |
| | <input type="checkbox"/> Plug Back |
| | <input type="checkbox"/> Production (Start/Resume) |
| | <input type="checkbox"/> Reclamation |
| | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Water Disposal |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Well Integrity |
| | <input type="checkbox"/> 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 site is ready for final inspection.)

Marathon Oil Company proposes to plug and abandon the Mershon Gas Com No.1.
This well was last produced during July 1999. The well is uneconomical to continue to try to produce.

**PLEASE SUBMIT PLUG & ABANDONMENT
PROCEDURE TO LES BABYAK, PETROLEUM
ENGINEER, ROSWELL FIELD OFFICE
(505) 627-0219**

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| 14. I hereby certify that the foregoing is true and correct. | |
| Electronic Submission #34767 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by LINDA ASKWIG on 08/18/2004 (04LA0738SE) | |
| Name (Printed/Typed) CHARLES KENDRIX | Title AUTHORIZED REPRESENTATIVE |
| Signature (Electronic Submission) | Date 08/18/2004 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|----------------------------------|-----------------|
| Approved By | LES BABYAK PETROLEUM ENGINEER | Date 08/18/2004 |
| 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 ****