

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM04827B
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3487 HOUSTON, TX 77253		7. If Unit or CA/Agreement, Name and/or No. NMNM70998A
3b. Phone No. (include area code) Ph: 713-296-2096 Fx: 713-499-6750		8. Well Name and No. Multiple-See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple-See Attached		9. API Well No. Multiple-See Attached
10. Field and Pool, or Exploratory N INDIAN BASIN MORROW		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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input checked="" type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other
	<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 recompleate 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 recompleation 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 has completed work to recompleate the North Indian Basin Unit No. 23 to the Indian Basin Morrow pool (78960) Please see the attachment for details of well work performed. Completion notice will follow.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #52303 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 12/28/2004 (05AL0069SE)	
Name (Printed/Typed) CHARLES E KENDRIX	Title ENGINEERING TECHNICIAN
Signature (Electronic Submission)	Date 12/28/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	Title ALEXIS C SWOBODA PETROLEUM ENGINEER	Date 12/30/20
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.

Additional data for EC transaction #52303 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM70998A	NMNM04827B	N INDIAN BASIN 23	30-015-28578-00-S1	Sec 2 T21S R23E NWNW 760FNL 760FWL
NMNM70998A	NMNM04827B	N INDIAN BASIN 23	30-015-28578-00-S2	Sec 2 T21S R23E NWNW 760FNL 760FWL

North Indian Basin Unit No. 23
Work details for Completion
to Indian Basin Morrow pool

04/15/2004 Rigged up Pulling Unit. Pick up 6 1/8" bit ,4 - 4 3/4" drill collars, and 2 3/8" tubing. RIH tag top of liner at 6961'. Rigged up reverse unit, and swivel lightly dressed top of liner. POOH w/ drill collars and bit. Picked up 4 1/2" scraper & 3.70" bit. RIH to hard tag @ 9338'. SI

04/16/2004 Rigged up swivel and drill out cement to w/ 3.75" bit f/ 9338' 9449'. Rigged down swivel and circ hole clean. Pickle tubing w/ 1000 gals 15% HCL acid. Displaced w/ 318 bbls 7 % KCL containing 3 gp/1000 Claystay. POOH w/ tubing closed rams and tested casing liner to 1050 psi. Held pressure for 30 minutes. SI

04/17/2004 RIH w/ TCP guns. Hydro tested tubing to 9000 psi in hole. Tubing details as follows:

- 1 jt 2 7/8" tubing
- 1 2 7/8" tubing sub
- 1 2 3/8' X 2 7/8" crossover
- 294 jts 2 3/8" tubing
- 1 2 3/8" tubing sub
- 1 jt 2 3/8" tubing
- 1 2 3/8" on / off tool
- 1 2 3/8" tubing sub on 4 1/2" PLS packer
- 1 jt 2 3/8" tubing
- 1 1.181 latch tubing release
- 1 firing head
- 2 prop. Sleeves
- 1 3 1/8" slick gun - 317 T23 gram charges w/ 6JSP / ft.

Rigged up Baker Atlas. Ran CR/ CL/ Spotted guns. Rigged down Baker Atlas. Spaced ou well and nipped down BOPE. Installed tubing hanger. Set PSL packer@ 9159'. Nipped up 2 9/16" 5M Tree. Tested seals to 3000 psi. Test annulus to 1000 psi. SI

04/21/2004 Rigged up Haliburton. Shut in casing pressure 980 psi. Tested lines and tree saver to 11,000 psi. Loaded tubing with 750 scf N2 w/ tubing press @ 7500 psi. Loaded tubing w/ 4.8 bbls 7% KCL brought pressure up to 9480 psi. Fired guns. Shut down pump and watched pressure drop b/ 9400 to 5250 psi. Rigged down Haliburton. Turned well over to testers w/ SITP 4950 psi and SICP 750 psi. SI.

04/22/2004 through 05/04/2004. Attempted to swab fluid from well and put on production. Well did not show more than a slight blow on the tubing. Pressure would blow down to zero each morning and fluid level rise to 1900' to 3000' from surface upon nightly shut in.

05/05/2004 Opening tubing pressure 250 psi, bled off in 3 minutes. RIH w/ swab hit initial fluid level at 5500'. Second swab run fluid was down to 8800'. Recovered small amount of fluid. Well dead. Released rig. Awaiting decision on fracture treatment for the well.