

NMOC

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.

JAN 03 2005

COPIES

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. N INDIAN BASIN 23
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 2 T21S R23E NWNW 760FNL 760FWL		9. API Well No. 30-015-28578-00-S1
		10. Field and Pool, or Exploratory S DAGGER DRAW
		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"/> 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 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 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 has completed operations to deepen the North Indian Basin Unit No. 23 to the Indian Basin Morrow pool (78960). Please see details attachment for details of deepening setting of casing liner.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #52280 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by LINDA ASKWIG on 12/28/2004 (04AS0104S)	
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	ALEXIS C SWOBODA Title PETROLEUM ENGINEER <i>act</i>	Date 12/28/2004
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 **

North Indian Basin Unit No. 23
Deepen to the Morrow / Set Casing Liner

- 03/17/2004** Moved in rigged up rig. Nipple up BOPE and manifold.
- 03/18/2004** Tested BOPE. PU 6 1/8" bit, 36 4 3/4" drill collars, and 3 1/2" drill pipe. Tagged retainer @ 7844'. Drilling retainer.
- 03/19/2004** Drilled out retainer @ 7844' cement to 8015'. Drilled open hole f/ 8015' to 8260'.
- 03/20/2004** Drilled 6 1/8" open hole from 8260' to 8630'. Lost returns f/ 8260 to 8300'. Mixed 20 sks lost circulation material. Returned to full returns.
- 03/21/2004** Drilled 6 1/8" open hole from 8630' to 8776'. Plugged off lost circulation PUH 5 stands, found kelly hose plugged with rubber. TIH drilled f/ 8776' to 8900'. Start mud up well.
- 03/22/2004** Drilled f/ 8900' to 87953'. POOH w/ bit # 1, RIH w/ bit # 2.
- 03/23/2004** TIH. Reamed f 8842' to 8953'. Drilled f/ 8953' to 9139'.
- 03/24/2004** Drilled f/ 9139' to 9218'. POOH w/ bit # 2. Trip in hole w/ bit # 3. Drilled f/ 9218' to 9243'.
- 03/25/2004** Drilled f/ 9243' to 9451'. Lost apx 60 bbls mud starting @ 9406'. Spotted 20 bbl LCM pill stopped losing mud.
- 03/26/2004** Drilled to TD of 9500'. POOH w/ drill pipe and BHA. Logged well w/ triple combo log.
- 03/27/2004** Ran 55 joints 4 1/2" 11.6 # L-80 LTC casing liner. Ran on drill pipe to 9500'. Float shoe @ 9500', Float collar @ 9449', Top of liner @ 6957'. Rigged up Haliburton cementers. Set Baker liner hanger. Cemented w/ 200 sks Modified Super H + 0.5% Halad 344 + 0.4% CFR3 + 1# sk Salt + 0.2% HR7 mixed at 13.0 ppg w/ 1.66 Yield. Dropped wiper dart and displaced cement. Bumped plug w/ 2000 psi. Set Baker liner top packer. Pulled 10 stands of drill pipe 1 st four stands wet then came dry. Lay down cementing head and 34 joints drill pipe.
- 03/28/2004** Laid down Baker liner hanger and drill pipe. Nipple down BOP's and installed DHT.
- 03/29/2004** Rigged down and moved out drilling rig.