

RECEIVED

5

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 21 2004

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



OCD-ARTESIA

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		8. Well Name and No. SMITH FEDERAL 4
2. Name of Operator MARATHON OIL COMPANY		9. API Well No. 30-015-32957-00-S1
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487	Contact: CHARLES KENDRIX E-Mail: cekendrix@marathonoil.com	10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
3b. Phone No. (include area code) Ph: 800.351.1417 Ext: 8104 Fx: 915.687.8196		11. County or Parish, and State EDDY COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T22S R23E SENE Lot H 1511FNL 839FEL		

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 recomplete 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.)

11/26/2003 Tagged top of cement in casing annulus at 22 ft from surface. Tested well head to 1000 lb. Installed BOP. Filled casing annulus 22 ft to surface with ready mix cement. RIH w/ 8.75" Hughes rotary bit tagged cement at 1454 drilled out cement and float collar to 1505'. Tested casing to 1000 lbs. Drilled cement and float shoe to 1520'. Drilled open hole from 1520' to 1632'.
 11/27/2003 Drilled w/ 8.75" bit from 1632' to 2422'.
 11/28/2003 Drilled from 2422' to 3118'.
 11/29/2003 Drilled from 3118' to 3634'.
 11/31/2003 Drilled from 3634' to 4210'.
 12/01/2003 Drilled from 4210' to 4875'.
 12/02/2003 Drilled from 4875' to 5607'.
 12/03/2003 Drilled from 5607' to 5758'. Changed out 8.75" bit. Drilled from 5758' to 6087'.
 12/04/2003 Drilled from 6087' to 6692'.

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

Electronic Submission #29606 verified by the BLM Well Information System
For MARATHON OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 04/16/2004 (04LA0330SE)

Name (Printed/Typed) CHARLES KENDRIX

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 04/14/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**

DAVID R GLASS
Title PETROLEUM ENGINEER

Date 04/19/2004

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 #29606 that would not fit on the form

32. Additional remarks, continued

12/05/2003 Drilled from 6692' to 7269'.

12/06/2003 Drilled from 7269' to 7903' Started losing fluid at 7583'. Drilling w/ 70 to 80% returns.

12/07/2003 Drilled from 7903' to 8005' w/ 80% returns. Tripped out directional tools, tipped in hole and drilled from 8005' to 8125'.

12/08/2003 Drilled from 8125' to 8155'. Tripped layed down RT Tool. RIH Drill from 8155' to 8510'. Mudded up at 8200' due to drag.

12/09/2003 Drilled to TD @ 8570'. Short trip hole tight. Spotted pill, circulate and condition hole. Lay down drill assembly. Install 7" pipe rams and rigged up casing equipment.

12/10/2003 Ran 7", K-55, 26 & 23 lb casing to 8570'. Rigged up cementers and pumped 50,000 scf N2, 20 bbls gelled water w/ 2,000 scf N2, 10 bbls fresh water w/1000 scf N2, 100 sks foamed cement 8280 scf N2 (46 bbls), 1100 sks Premium Plus w/95629 scf N2 (244 bbls), tailed w/ 120 sks unfoamed Super H cement. Circulated 180 sks to reserve pit. Pumped 75 sks for cap on back side casing. Set slips and cut off casing. Nippled up tubing hanger. Rigged down drilling rig.

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.

APR 21 2004

EDWARDS

5. Lease Serial No.
NMNM0251099A

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

8. Well Name and No.
SMITH FEDERAL 4

1. Type of Well
 Oil Well Gas Well Other

9. API Well No.
30-015-32957-00-S1

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: 800.351.1417 Ext: 8104
Fx: 915.687.8196

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 11 T22S R23E SENE Lot H 1511FNL 839FEL

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 recomplete 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.)

12/18/2003 Rigged up Pulling Unit RIH w/ 274 jts 2 7/8th" L-80 tubing. Tagged PBTD at 8526'. Circulate hole. Pickled tbg & csg w/ 1000 gals 15% HCL.
12/19/2003 Rigged up Baker Atlas perforated in 8 intervals as follows
7576'-7686'
7693'-7714'
7728'-7740'
7774'-7788'
7808'-7837'
7852'-7866'
7912'-7934'
7998'-8016'
Total of 240' w/ 4 shots per ft. Total 960 shots.

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

**Electronic Submission #29607 verified by the BLM Well Information System
For MARATHON OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 04/16/2004 (04LA0331SE)**

Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 04/15/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	DAVID R GLASS Title PETROLEUM ENGINEER	Date 04/19/2004
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.

Additional data for EC transaction #29607 that would not fit on the form

32. Additional remarks, continued

Rigged down Baker Atlas. RIH w/ PPI packers w/ 2' spacings.

12/20/2003 Rigged up Haliburton Acidized perms from 7693' to 8016' w/ 100 gal per ft 17% HCL in 71 settings.

12/21/2003 Finished acidizing perms on 2' setting at 100 gal per ft w/ 17% HCL for 7576' to 7686'. Total acid for two days was 28,000 gals.

12/22/2003 RIH w/ sub pump and 8395' 2.875" tubing. Seating nipple at 8395', bottom of pump assembly @ 8463'.

12/23/2003 Started subpump, turned well to production.

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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

APR 21 2004

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. SMITH FEDERAL 4
2. Name of Operator MARATHON OIL COMPANY		9. API Well No. 30-015-32957-00-S1
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
3b. Phone No. (include area code) Ph: 800.351.1417 Ext: 8104 Fx: 915.687.8196		11. County or Parish, and State EDDY COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T22S R23E SENE Lot H 1511FNL 839FEL		

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 type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input checked="" 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 recomplete 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 fluids from this well will be sent via pipeline to Station 311. Water will be separated from liquid hydrocarbons and sent via pipeline to Station 235. The water is combined with liquids for Station 235 and sent via pipeline to MOC Federal Central Facility. Water is sent from the MOC facility to the water disposal system. Where it is disposed into one of the wells listed under PRIMARY DISPOSAL on Attachment 1 to this document. If additional capacity is required water maybe sent via pipeline (if available) or truck hauled to any of the wells listed under SECONDARY DISPOSAL on the attachment.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #29620 verified by the BLM Well Information System For MARATHON OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by LINDA ASKWIG on 04/19/2004 (04LA0342SE)	
Name (Printed/Typed) CHARLES KENDRIX	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 04/16/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>DAVID R GLASS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>04/19/2004</u>
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 <u>Carlsbad</u>

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.

Revisions to Operator-Submitted EC Data for Sundry Notice #29620

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	DISPOSE SR	DISPOSE SR
Lease:	NM 0251099 A	NMNM0251099A
Agreement:		
Operator:	MARATHON OIL COMPANY P.O. BOX 3487 HOUSTON, TX 77253-3487 Ph: 713.296.2096 Fx: 713.499.6750	MARATHON OIL COMPANY P O BOX 3487 HOUSTON, TX 77253-3487 Ph: 713.296.2096
Admin Contact:	CHARLES KENDRIX AUTHORIZED REPRESENTATIVE E-Mail: cekendrix@marathonoil.com Ph: 713.296.2096 Fx: 713.499.6750	CHARLES KENDRIX AUTHORIZED REPRESENTATIVE E-Mail: cekendrix@marathonoil.com Ph: 800.351.1417 Ext: 8104 Fx: 915.687.8196
Tech Contact:		
Location:		
State:	NM	NM
County:	EDDY	EDDY
Field/Pool:	INDIAN BASIN U. PENN ASSOC.	INDIAN BASIN UPPER PENN ASSOC
Well/Facility:	SMITH FEDERAL 4 Sec 11 T22S R23E SENE 1511FNL 839FEL	SMITH FEDERAL 4 Sec 11 T22S R23E SENE Lot H 1511FNL 839FEL

NOT CERTIFIED
INFORMATION TO CHOTIP100

April 16, 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

April 16, 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