

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised May 08, 2003

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-27235
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Marathon Oil Company		6. State Oil & Gas Lease No. E-10083
3. Address of Operator P.O. Box 3128 Houston, Tx. 77253		7. Lease Name or Unit Agreement Name: Indian Hills State Comm
4. Well Location Unit Letter E : 1880 feet from the North line and 660 feet from the West line Section 36S Township 20S Range 24E NMPM County Eddy		8. Well Number 4
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL:3634		9. OGRID Number
		10. Pool name or Wildcat Morrow

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data			
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input checked="" type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Deepened well to Morrow. After logging well, decided to Temporarily abandon well.
Set cement plugs as per OCD's recommendations. Complete operations summary attached.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE **Sr. Advanced Engineering Tech** DATE **4-8-04**

Type or print name **Mike Mick**

Telephone No. **713/296/3254**

(This space for State use)

APPROVED BY _____ TITLE _____ DATE **JUL 14 2004**
Conditions of approval, if any:

FOR RECORDS ONLY



Southern Business Unit
Business Development

5555 San Felipe Road
Houston, TX 77253-3487
Telephone: (713) 296-2096
FAX: (713) 499-6750

June 24, 2004

Mr. Bryan Arrant
New Mexico Oil Conservation Division District II
1301 W. Grand Avenue
Artesia, New Mexico 88210



Dear Mr. Arrant,

The package I am sending you contains copies of the C-101, C-102, completion procedures, and a well diagram for the Indian Hills State Com No. 4, Morrow completion, which was abandoned.

However, I must regretfully convey that due to miscommunication between our service unit personnel and Marathon's drilling department a deviation survey was never taken on the Morrow deepening portion of this well, before it was plugged back.

Sincerely,

A handwritten signature in cursive script that reads 'Charles E. Kendrix'.

Charles Kendrix
Engineering Technician
Marathon Oil Company

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Marathon Oil Company

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Operations Summary Report

Legal Well Name: INDIAN HILLS STATE COM 04
Common Well Name: INDIAN HILLS STATE COM 04
Event Name: RE-ENTRY
Contractor Name: KEY ENERGY SERVICES
Rig Name: KEY ENERGY SERVICES

Start: 3/16/2004
Rig Release:
Rig Number: 115
Spud Date: 3/30/2004
End:
Group:

Date	From - To	Hours	Code	Sub Code	Phase	Description of Operations
3/17/2004	07:00 - 12:00	5.00	EQUIP		OTHER	WO Nolan Brunson crew to remove pumping unit. Installed anchor on NE corner - tested all anchors to 22,500#. Blade pad to work in area where Tee base was set. Pipe racks on location.
	12:00 - 17:30	5.50	RIG	MIRU	MIRU	Spotted in Rig 311. Rig up pulling unit. Held tailgate safety meeting. RU rod hook. Unseat pump - heavy!! POH laying down polish rod/liner, 2' x 1" KD pony, 123 - 1" KD steel rods, 22 - 7/8" KD steel rods, 169 - KD steel rods w/ molded on rod guides, 1" x 1' handling sub & 2.5" x 1.5" x 26' insert pump. RD pumping tee and wellhead. Installed TIW valve and SIFN. NOTE: Heavy paraffin from top to bottom on rod string.
3/18/2004	06:30 - 17:30	11.00	PLRNRP	PTBG	OTHER	Pull/Run/Repair Production Tubing Tailgate safety meeting. Killed well. ND wellhead flange. Attempt releasing TAC. TAC not set. NU 7 1/16" hydraulic BOPs w/ full open valves. Function tested rams. POOH w/ 239 jts of 2 7/8" tbg, Trico TAC, 15 jts of 2 7/8" tbg and SN. LD TAC & SN. PU 6 1/8" bit, 7" casing scraper and RIH on 256 jts of 2 7/8" tbg. Tagged PBTD @ 7947'. RU LD machine. POH laying down 211 jts of tbg. NOTE: Unable to secure trucks to move out production tbg and move in work string until 14:00 tomorrow. Crew will arrive at 11:30. Closed and locked pipe rams. SDFN
3/19/2004	11:30 - 18:00	6.50	PLRNRP		OTHER	Tailgate safety meeting. Bled off psi. POH - laying down last 45 joints of 2 7/8" tubing. Changed pipe rams to 3 1/2". EL Farmer arrived to move out 2 7/8" tubing and move in 3 1/2" tubing. Racked 3 1/2" workstring, tallied and prepped. PU 7" cement retainer - RIH on 40 jts of 3 1/2" tbg. SDFN
3/20/2004	07:00 - 14:30	7.50	PKRPLG	RUN	OTHER	Packer / Plug Running Operations Tailgate safety meeting. Continued picking up tbg. Picked up additional 200 joints of 3 1/2" L-80 workstring. Left cement retainer swinging at 7319'. Trucks were not available to load frac tank until later tonight. Decided to leave retainer swinging until Monday morning. Closed and locked pipe rams. SDFN
3/22/2004	05:30 - 16:30	11.00	CEMT	SQZ	CSGRPR	Cement Squeezing Operations Bled off well. RU pump to tubing. Pumped through EZ drill in swinging position. Set retainer @ 7319'. Shear off and set back on retainer. Load backside and pressure up to 500 psig (180 bbls) Load tubing w/ 64 bbls of water and pressure test to 1000 psig. Release pressure - Pull up and rotate tbg 25 rounds. Sting in to retainer. Tubing on vacuum. Establish injection rate 5 bbls/min @ 140 psig. Mix 300 sacks of nitrified cement followed by 100 sacks of neat cement. Displace 5 bbls water - tubing on vacuum. RU echometer - Winston Ballard shot fluid levels until FL no longer fell. Sting out of retainer and reverse out. Reversed out 3 bbls of cement. RD Halliburton cement crew and pooh w/ tubing. LD setting tool. PU drill bit and 6 - 4 3/4" drill collars - RIH on 18 stands of killstring. Closed and locked pipe rams. SDFN David Redwine notified Don Hall. Will WOC until tomorrow and drill out and test.
3/23/2004	06:30 - 18:00	11.50	DRILL	PLUG	OTHER	Drill Plugs, CIBP's Etc. PJSM. POH w/ killstring. PU 6 1/8" bit, 6 - 4 3/4" drill collars - RIH on 3 1/2" workstring to tag at 7313'. RU powerswivel and drill out EZ drill retainer. Hit void to 7333'. Tagged cement and DO to 7516' (top perf) lost circulation - CIH to 7520' hit cement again and regained circulation after a loss of 12 bbls. DO to 7565'. Hit spuratic sections of cement until a final DO depth of 7770'. Circulate hole clean. With the exception of the top 4' of perfs we had circulation. Lost a total of 36 bbls during drill out. Attempt loading hole for test. No success. PUH w/

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Operations Summary Report

Legal Well Name: INDIAN HILLS STATE COM 04
 Common Well Name: INDIAN HILLS STATE COM 04
 Event Name: RE-ENTRY
 Contractor Name: KEY ENERGY SERVICES
 Rig Name: KEY ENERGY SERVICES

Spud Date: 3/30/2004
 Start: 3/16/2004
 End:
 Rig Release:
 Group:
 Rig Number: 115

Date	From - To	Hours	Code	Sub Code	Phase	Description of Operations
3/23/2004	06:30 - 18:00	11.50	DRILL	PLUG	OTHER	EOT @ 7325'. Closed and locked pipe rams. SDFN Notified Don Hall with results. Ordered additional retainer and cement for second stage tomorrow.
3/24/2004	06:30 - 20:00	13.50	DRILL		OTHER	PJSM. Bled off. TOH w/ tbg. PU 2nd 7" EZ drill SVB - RIH to 7319'. Left retainer swinging. RU Halliburton cement crew. RU BHC w/ ventawave tool - shot static fluid level in casing (4816') Shot static fluid level in tubing (4403') Pumped 70 bbls thru retainer. Set retainer @ 7319'. Load backside w/ 82 bbls of water and pressure test to 500 psig. Held for 30 minutes OK. Establish injection rate through retainer @ 1.2 bbls/min @ 1200 psig. Reduced cement order based on this information to 25 sacks of thixotropic & 100 sacks of PP neat tail. Sting out of retainer and establish circulation - circ to surface @ 17 bbls pumped. Mix and pump cement spotted cement to within 5 bbls of retainer trapping 1200 psig in casing - sting in to retainer and bleed backside to 500 psig. Pump down tbg w/ 16 bbls @ 1.2 bbls/min @ 1200 psig total of 45 bbls displaced. Shut down and stage for 10 minutes. Pressure bled to 0 psig. Pumped down tbg w/ 1 additional bbl pressuring up to 1500 psig. Holding solid. Total of 52 bbls displaced. Sting out of retainer. Sting out of retainer. Reversed out - 12 bbls of slurry to pit. Knocked Halliburton Cement loose and PUH 1 jt. Rig drive shaft U joint blew. RD Halliburton cement. WO mechanic and parts 2 hours. Rig running again - POOH w/ 32 stands of tubing. Closed and locked pipe rams. SDFN
3/25/2004	07:00 - 20:00	13.00				PJSM. POOH with stinger and setting tool. PU and RIH with bit to drill out cement retainer. Worked on rig from 10:00 to 10:30 MST.
3/26/2004	07:00 - 18:00	11.00				
3/30/2004	06:00 - 22:00	16.00	RIG	MIRU	MIRU	Moved rig from North Indian Basin Unit #23 to Indian Hills State Com #4. Rigged up rig. Nipped up Bops and choke manifold. Shut down for the night. Will break tower Tuesday morning.
3/31/2004	06:00 - 08:30	2.50	TRIP	LDDP	MIRU	Rigged up Bull Rogers Laydown machine. PJSM. Laid down 40 joints of 3-1/2" 8rd kill string.
	08:30 - 10:30	2.00	TEST	BOP	MIRU	Tested Bops and choke manifold to 2000 psi. Tested hydrill to 1500 psi.
	10:30 - 18:00	7.50	TRIP	PUDP	DRLPRL	Picked up bit and BHA (36 4-3/4" drill collars). Picked up 3-1/2" drill pipe (214 joints). Tagged at 7942'.
						Spud 1030 hours 3/30/2004
	18:00 - 19:00	1.00	TRIP	PUDP	DRLPRL	Rigged down laydown machine.
	19:00 - 20:00	1.00	RIG	MIRU	DRLPRL	Rigged up power swivel and broke circulation.
	20:00 - 23:30	3.50	DRILL	CEMT	DRLPRL	Drilled cement from 7942' to float collar at 7945'. Drilled float collar, cement and shoe at 8000'.
4/1/2004	23:30 - 06:00	6.50	DRILL	DOHR	DRLPRL	Drill Open Hole Rotary from 8000' to 8079'.
	06:00 - 23:00	17.00	DRILL	DOHR	DRLPRL	Drill Open Hole Rotary from 8079' to 8395'. Power swivel quit working
	23:00 - 23:30	0.50	TRIP	WTRP	DRLPRL	Picked up into casing.
	23:30 - 05:30	6.00	RIG	RCNT	DRLPRL	Waited on and hooked up new power swivel.
	05:30 - 06:00	0.50	TRIP	WTRP	DRLPRL	Tripped back in hole to 8395'.
4/2/2004	06:00 - 06:00	24.00	DRILL	DOHR	RUNPRL	Drill Open Hole Rotary
4/3/2004	06:00 - 04:00	22.00	DRILL	DOHR	DRLPRL	Drill Open Hole Rotary. High torque.
	04:00 - 04:45	0.75	CIRC	CLN	DRLPRL	Circulate bottom's up.
	04:45 - 06:00	1.25	TRIP	BIT	DRLPRL	TOOH for bit.
4/4/2004	06:00 - 09:00	3.00	TRIP	BIT	DRLPRL	TOOH w/ bit #1.
	09:00 - 14:00	5.00	TRIP	BIT	DRLPRL	TIH w/ bit #2 t/ 9255'.
	14:00 - 14:45	0.75	DRILL	WSHR	DRLPRL	Reamed t/ bottom @ 9273'.
	14:45 - 06:00	15.25	DRILL	DOHR	DRLPRL	Drill Open Hole Rotary. Drilling @ 19'/hr.
4/5/2004	06:00 - 14:00	8.00	DRILL	DOHR	DRLPRL	Drilled t/ TD @ 9600'.

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OCD-ARTESIA

Operations Summary Report

Legal Well Name: INDIAN HILLS STATE COM 04
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 Event Name: RE-ENTRY
 Contractor Name: KEY ENERGY SERVICES
 Rig Name: KEY ENERGY SERVICES

Start: 3/16/2004
 Rig Release:
 Rig Number: 115

Spud Date: 3/30/2004
 End:
 Group:

Date	From - To	Hours	Code	Sub Code	Phase	Description of Operations
4/5/2004	14:00 - 15:45	1.75	CIRC	CLN	DRLPRL	Circulate Clean
	15:45 - 22:00	6.25	TRIP	LOGS	DRLPRL	Trip for Logs
	22:00 - 04:00	6.00	LOG	OPEN	EVALPR	Removed stripper head. NU 7 1/16" 3M x 7" 8rd comp. flange. RU Lub & packoff. RU HES. Safety meeting. Ran Triple combo f/ 9600' t/ 8000'. Tight f/ 8900'-9000'. RD HES.
4/6/2004	04:00 - 06:00	2.00	TRIP	BIT	PLUGAB	TIH open ended w/ 3 1/2" DP.
	06:00 - 12:00	6.00	TRIP	BIT	PLUGAB	Trip in hole open ended t/ 9250'.
	12:00 - 22:00	10.00	WAIT	EQUIP	PLUGAB	Wait on Equipment. (HES) . L/D 36- DC's.
	22:00 - 22:30	0.50	CEMT	PLUG	PLUGAB	RU HES. Spotted 211' plug (25 sks-7.2 bbls) f/ 9104' t/ 8893'. Pulled up t/ 8704'.
4/7/2004	22:30 - 06:00	7.50	WAIT	CEMT	PLUGAB	Wait on Cement
	06:00 - 06:15	0.25	ABAND	ZONE	PLUGAB	Tagged 1 st plug @ 8915'.
	06:15 - 07:00	0.75	ABAND	ZONE	PLUGAB	L/D 33 jts of 3 1/2" DP.
	07:00 - 07:15	0.25	ABAND	ZONE	PLUGAB	Spotted 2 nd plug(25 sks) 8050'-7839'.
	07:15 - 07:30	0.25	ABAND	ZONE	PLUGAB	POOH w/ 10 stds.
	07:30 - 13:30	6.00	ABAND	ZONE	PLUGAB	WOC
	13:30 - 14:00	0.50	ABAND	ZONE	PLUGAB	Tagged 2 nd plug @ 7850'.
	14:00 - 14:30	0.50	ABAND	ZONE	PLUGAB	L/D 14 jts of DP.
	14:30 - 15:00	0.50	ABAND	ZONE	PLUGAB	Spotted 3 rd plug (50 sks) f/ 7602'-7178'.
	15:00 - 15:30	0.50	ABAND	ZONE	PLUGAB	L/D 16 jts t/ 7115'.
	15:30 - 16:00	0.50	ABAND	ZONE	PLUGAB	Circ.
	16:00 - 21:00	5.00	TRIP	LDDP	PLUGAB	LD DP. RD Bul Rogers. Shut down for night.
	08:00 - 10:00	2.00	NUND	DBOP	RDMO	ND BOP/Choke. Pulled BOP. Installed 7 1/16" 3M flange onto tubing head.
4/8/2004	10:00 - 14:00	4.00	RIG	DMOB	RDMO	Rigged down.
4-19-2004						Pressured tested csg. to 500 psig. Held, OK. Witnessed by OCD. MIT Witnessed by Phil 4/19/04.