

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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		NOV 06 2007	5. Lease Serial No. NM-04827-B
2. Name of Operator Marathon Oil Company		OCD-ARTESIA	6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 3487 Houston, TX 77253-3487	3b. Phone No. (include area code) 713-296-2096		7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL"K", 2030' FSL & 1650' FWL, Sec 1, T-21-S, R-23-E			8. Well Name and No. MOC Federal No 8
			9. API Well No. 30-015-28823
			10. Field and Pool, or Exploratory Area East Indian Basin Morrow (96561)
			11. County or Parish, State Eddy 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 type="checkbox"/> Other <u>X Test Scab</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Liner / Production</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>Viability</u>

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 recomple 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 recomple 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 final site is ready for final inspection.)

Marathon Oil Company has completed operations to run a one month test on the MOC Federal No 8 well. This test was to determine the economic viability and check for cross flow of sour gas from the Upper Penn formation which is isolated behind a scab liner.

09/19 - 09/20/07 Ran rods and insert pump and hung well off.

09/21/07 Started well to production facilities test.

Gas samples were pulled for analysis on 10/02/07, 10/11/07, & 10/23/07. Copies of these analysis are attached to this sundry. The gas analysis indicates that the gas does not contain any H₂S. Therefore it is Marathon's positioning that the casing liner is holding under normal operating conditions. The well is currently making approximately 80 mcf and 90 bbls of water daily. Marathon is therefore seeking approval to continuing producing the well with the liner in place as is. A wellbore diagram has been included with this sundry notice to show the well bore as it is being produced. A follow sundry is being submitted for production start up on the well.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Charles E. Kendrick		Title Regulatory Compliance Representative
Date 10/24/07		
ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by <u>DAVID R. GLASS</u> NOV 1 2007	Title	Date
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.		
Title 18 U.S.C. Section 1001 and Rule 32.1, Section 1212, makes 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.		

Wildcat Measurement Service
P.O. Box 1836
416 East Main St.
Artesia, NM 88211-1836

10/23/2007 3:00 PM
Phone: 505-746-3481
888-421-9453
Fax: 505-748-9852

GAS ANALYSIS REPORT

Analysis For: MARATHON OIL COMPANY
Field Name: INDIAN BASIN
Well Name: MOC #8
Station Number: MOC#8
Purpose: SPOT
Sample Deg. F: 73.0
Volume/Day: 87 MCF/DAY
Formation:
Line PSIG: 22.0
Line PSIA: 35.2

Run No: 271023-15
Date Run: 10/23/2007
Date Sampled: 10/23/2007
Producer: MARATHON OIL CO.
County: EDDY
State: NM
Sampled By: LARRY LEJEUNE
Atmos Deg. F: 76

GAS COMPONENTS			
		MOL%	GPM
Oxygen	O2:	0.0000	
Carbon Dioxide	CO2:	0.7130	
Nitrogen	N2:	0.2557	
Hydrogen Sulfide	H2S:	0.0000	
Methane	C1:	95.3550	
Ethane	C2:	2.5243	0.6732
Propane	C3:	0.4889	0.1343
Iso-Butane	IC4:	0.0815	0.0266
Nor-Butane	NC4:	0.0772	0.0243
Iso-Pentane	IC5:	0.0362	0.0132
Nor-Pentane	NC5:	0.0191	0.0069
Hexanes	C6:	0.0496	0.0203
Heptanes	C7:	0.0458	0.0211
Octanes	C8:	0.1513	0.0773
Nonanes	C9:	0.0872	0.0490
Decanes	C10:	0.1152	0.0706
Totals		100.0000	1.1167

Pressure Base: 14.650
Real BTU Dry: 1056.014
Real BTU Wet: 1034.260

Calc. Ideal Gravity: 0.5803
Calc. Real Gravity: 0.5814
Field Gravity:
Standard Pressure: 14.696
BTU Dry: 1059.298
BTU Wet: 1040.866
Z Factor: 0.9976
Average Mol Weight: 17.3272
Average CuFt/Gal: 38.1119
Ethane+GPM: 1.1167
Propane+GPM: 0.4435
Butane+ GPM: 0.3092
Pentane+ GPM: 0.2583
Hexanes + GPM: 0.2382
Heptanes + GPM: 0.2179
Octanes + GPM: 0.1968
Nonanes + GPM: 0.1195

Analysis By: DON NORMAN

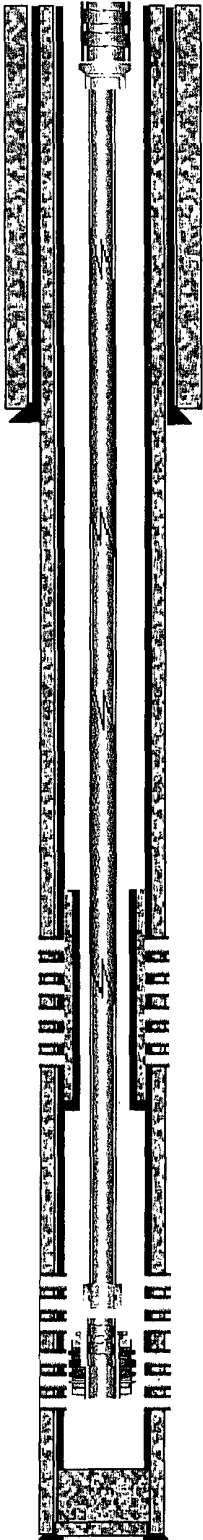
Remarks:

H2S IN GAS STREAM: NONE DETECTED



MOC Federal No 8
Isolated UP Produce from Morrow

Marathon Oil Company
MOC Federal No 8
UL"K", 2030' FSL & 1650 FWL, Sec 1, T-21-S, R-23-E
Sec 1, T-21-S, R-23-E
25-Oct-07



Surface Casing
9 5/8" 36# K-55 set @ 1210' w/ 875 sks cmt.

Top of 5 1/2" casing liner @ 7600'

Upper Penn Perforations 7282'-7830'

Bottom of 5 1/2" csg liner @ 7916'

Seating Nipple
Bottom tgb @ 9318'

Morrow Perforations 9210'-9474'

PLS Pkr & cut tgb sub stuck @ 9326'

PBTD 9565'

Production Casing
7" 23 & 26# Set @ 9660' Cmtd w/ 1840 sks

TD 9660'

Well Name & Number:	MOC Federal No 8		Lease	MOC Federal (NM-04827-B)		
County or Parish:	Lea	State/Prov.	New Mexico		Country:	USA
Perforations: (MD)			(TVD)	9660'		
Date Completed:	09/22/07				RKB:	
Prepared By:	Charles Kendrix		Last Revision Date:		10/26/07	