

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC3

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.

RECEIVED

FFR 2-11 2004

OGD-ARTESIA

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM07260
2. Name of Operator MARATHON OIL COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3487 HOUSTON, TX 77253-3487		7. If Unit or CA/Agreement, Name and/or No. NMNM70964X
3b. Phone No. (include area code) Ph: 713.296.2096 Fx: 713.499.6750		8. Well Name and No. INDIAN HILLS UNIT 41
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 16 T21S R24E SESE 199FSL 524FEL		9. API Well No. 30-015-32539-00-X1
		10. Field and Pool, or Exploratory INDIAN BASIN UPPER PENN ASSOC
		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 Drilling Operations
	<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 recomplate 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.)

11/04/2003 Setting of surface casing submitted in detail on well spud sundry.
11/05/2003 RIH w/ 8.75" bit tagged cement at 1730' drilled out cement to 1800'
Drilled formation from 1800' to 1895' started directional kickout at 1895' drilled to 2150'.
11/06/2003 through 11/16/2003 Directional drilled 2150' to 7911'.
11/17/2003 Drilled 7911' to 8219. Lost complete returns, dry drilled from 8219 to 8733' (TD).
11/18/2003 Made conditioning trip to run casing.
11/19/2003 Washed and reamed to TD @ 8800'. Condition hole to run casing.
Ran 7.0" K55 23 & 26# in the following design top to bottom.
2 jts 7" 26# K55
100 jts 7" 23# K55
49 jts 7" 26# K55
DV Tool N80

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

**Electronic Submission #27827 verified by the BLM Well Information System
For MARATHON OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 02/17/2004 (04AL0102SE)**

Name (Printed/Typed) CHARLES KENDRIX

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 02/13/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**

ALEXIS C SWOBODA
Title PETROLEUM ENGINEER

Date 02/18/2004

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 #27827 that would not fit on the form

32. Additional remarks, continued

ECP N80
37 jts 7" 26# K55
Float collar
1 jt 7" 26# K55
Float shoe

cont 11/19/2003 Cement Production casing

1st stage: Pumped 50,000 SCF N₂, 10 bbls 10% CaCl water, 10 bbl fresh water, 100 sacks Foamed Acid Soluble Cement mixed at 15.0 ppg., 2.55 cuft/sk yeild, 170 sks Foamed Premium Cement @ 15.2 ppg, 1.25 cuft/sk yield, 120 sacks Super H Cement @ 13.0 ppg, 1.68 cuft/sk yield. Dropped plug and displaced with 348 bbls fresh water. Bumped plug with 1500 psi. Set ECP, opened DV Tool circulated through DV tool.

2nd stage: Circulated through DV Tool returned dirty water and some N₂. Pumped 10 bbls fresh water 750 sks Interfill C @ 11.9 ppg, 2.46 cuft/sk yield, 100 sks Premium Plus @ 14.8 ppg, 1.32 cuft/sk yeild, Dropped plug and displaced with 273 bbls fresh water. Bumped plug with 2830 psi, closed DV Tool.(Got cement returns at surface at full circulation started loosing returns with 20 bbls left to pump)

Set slips, cut off 7" casing installed 11" 3M x 7 1/16" 3M tubing head.