| Received Fy WCD:S/7/2021 8:45:34 AM U.S. Department of the Interior BUREAU OF LAND MANAGEMENT | | Sundry Print Reports |
|---|---|---------------------------------------|
| Well Name: HONEY MUSTARD 22 WA FED COM | Well Location: T24S / R28E / SEC 22 / SWSW / 32.1973417 / -104.0809112 | County or Parish/State: EDDY / NM |
| Well Number: 2H | Type of Well: CONVENTIONAL GAS WELL | Allottee or Tribe Name: |
| Lease Number: NMNM020360, NMNM20360 | Unit or CA Name: | Unit or CA Number: |
| US Well Number: 3001546979 | Well Status: Approved Application for Permit to Drill | Operator: MARATHON OIL PERMIAN LLC |

Notice of Intent

Type of Submission: Notice of Intent

Date Sundry Submitted: 03/30/2021

Type of Action Other Time Sundry Submitted: 06:42

Date proposed operation will begin: 05/31/2021

Procedure Description: See attached for a copy of the WIS sundry and attachments submitted in December 2020.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

BLM_Sundry_Sub_Honey_Mustard_22_WA_Fed_Com_2H_APD_Change_12.8.2020_20210330184147.pdf

Conditions of Approval

Additional Reviews

Honey_Mustard_COAs_20210416094650.pdf

| Received by Well N FED C | y <i>OCD: 5/7/2021 8:45:34 AM</i> Jame: HONEY MUSTARD 22 WA COM | Well Location: T24S / R28E / SEC 22 / SWSW / 32.1973417 / -104.0809112 | County or Parish/State: EDDY 7 |
|--------------------------------|---|---|--|
| Well N | lumber: 2H | Type of Well: CONVENTIONAL GAS WELL | Allottee or Tribe Name: |
| | Number: NMNM020360, 120360 | Unit or CA Name: | Unit or CA Number: |
| US We | ell Number: 3001546979 | Well Status: Approved Application for Permit to Drill | Operator: MARATHON OIL PERMIAN LLC |

Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: MELISSA SZUDERA

Name: MARATHON OIL PERMIAN LLC

Title: REGULATORY COMPLIANCE REPRESENTATIVE

Street Address: 5555 San Felipe St.

City: Houston

Phone: (713) 296-3179

Email address: mszudera@marathonoil.com

Field Representative

Representative Name: Street Address: State: City: Phone: Email address:

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS BLM POC Phone: 5752342234 **Disposition:** Approved Signature: Chris Walls

BLM POC Title: Petroleum Engineer BLM POC Email Address: cwalls@blm.gov Disposition Date: 04/30/2021

Zip:

Signed on: MAR 30, 2021 06:42 PM

State: TX

PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

| | Marathon Oil Permian LLC |
|------------|--------------------------|
| LEASE NO.: | NMNM020360 |
| COUNTY: | Eddy County, NM |

Wells:

Honey Mustard 22 WA Fed Com 2H: Surface Hole Location: 479' FSL & 1019' FWL, Section 22, T. 24 S., R. 28 E. Bottom Hole Location: 2307' FSL & 1254' FWL, Section 15, T. 24 S, R. 28 E.

Honey Mustard 22 WXY Fed Com 6H: Surface Hole Location: 479' FSL & 989' FWL, Section 22, T. 24 S., R. 28 E. Bottom Hole Location: 2306' FSL & 1980' FWL, Section 15, T. 24S., R. 28E.

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

| General Provisions Permit Expiration Archaeology, Paleontology, and Historical Sites |
|--|
| Noxious Weeds |
| Special Requirements |
| Wildlife |
| Watershed |
| Cave/Karst |
| Construction |
| Notification |
| Topsoil |
| Closed Loop System |
| Federal Mineral Material Pits |
| Well Pads |
| Roads |
| Road Section Diagram |
| Production (Post Drilling) |
| Well Structures & Facilities |
| Interim Reclamation |
| Final Abandonment & Reclamation |

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

OR

If the entire project is covered under the Permian Basin Programmatic Agreement (cultural resources only):

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See information below discussing NAGPRA.

If the proposed project is split between a Class III inventory and a Permian Basin Programmatic Agreement contribution, the portion of the project covered under Class III inventory should default to the first paragraph stipulations.

The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

Wildlife (Texas Hornshell Mussel):

- Provide CEHMM with the permit, lease grant, or other authorization form BLM, if applicable.
- Provide CEHMM with plats or other electronic media describing the new surface disturbance for the project.

Watershed:

The entire well pad(s) will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. The compacted berm shall be constructed at a minimum of 12 inches with impermeable mineral material (e.g. caliche). Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control. If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.

Karst:

CONSTRUCTION MITIGATION

In order to mitigate the impacts from construction activities on cave and karst resources, the following Conditions of Approval will apply to this APD or project:

General Construction:

- No blasting
- The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, cave passages, or voids are penetrated during construction, and no additional construction shall occur until clearance has been issued by the Authorized Officer.
- All linear surface disturbance activities will avoid sinkholes and other karst features to lessen the possibility of encountering near surface voids during construction, minimize changes to runoff, and prevent untimely leaks and spills from entering the karst drainage system.
- All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

Pad Construction:

- The pad will be constructed and leveled by adding the necessary fill and caliche no blasting.
- The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.
- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.

- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised (i.e. an access road crossing the berm cannot be lower than the berm height).
- Following a rain event, all fluids will vacuumed off of the pad and hauled off-site and disposed at a proper disposal facility.

Road Construction:

- Turnout ditches and drainage leadoffs will not be constructed in such a manner as to alter the natural flow of water into or out of cave or karst features.
- Special restoration stipulations or realignment may be required if subsurface features are discovered during construction.

Buried Pipeline/Cable Construction:

• Rerouting of the buried line(s) may be required if a subsurface void is encountered during construction to minimize the potential subsidence/collapse of the feature(s) as well as the possibility of leaks/spills entering the karst drainage system.

Powerline Construction:

- Smaller powerlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize changes to runoff or possible leaks and spills from entering karst systems.
- Larger powerlines will adjust their pole spacing to avoid cave and karst features.
- Special restoration stipulations or realignment may be required if subsurface voids are encountered.

Surface Flowlines Installation:

• Flowlines will be routed around sinkholes and other karst features to minimize the possibility of leaks/spills from entering the karst drainage system.

DRILLING MITIGATION

Federal regulations and standard Conditions of Approval applied to all APDs require that adequate measures are taken to prevent contamination to the environment. Due to the extreme sensitivity of the cave and karst resources in this project area, the following additional Conditions of Approval will be added to this APD.

To prevent cave and karst resource contamination the following will be required:

- Closed loop system using steel tanks all fluids and cuttings will be hauled off-site and disposed of properly at an authorized site
- Rotary drilling with fresh water where cave or karst features are expected to prevent contamination of freshwater aquifers.
- Directional drilling is only allowed at depths greater than 100 feet below the cave occurrence zone to prevent additional impacts resulting from directional drilling.
- Lost circulation zones will be logged and reported in the drilling report so BLM can assess the situation and work with the operator on corrective actions.
- Additional drilling, casing, and cementing procedures to protect cave zones and fresh water aquifers. See drilling COAs.

PRODUCTION MITIGATION

In order to mitigate the impacts from production activities and due to the nature of karst terrane, the following Conditions of Approval will apply to this APD:

- Tank battery locations and facilities will be bermed and lined with a 20 mil thick permanent liner that has a 4 oz. felt backing, or equivalent, to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.
- Development and implementation of a leak detection system to provide an early alert to operators when a leak has occurred.
- Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

RESIDUAL AND CUMULATIVE MITIGATION

The operator will perform annual pressure monitoring on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be taken to correct the problem to the BLM's approval.

PLUGGING AND ABANDONMENT MITIGATION

Upon well abandonment in high cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

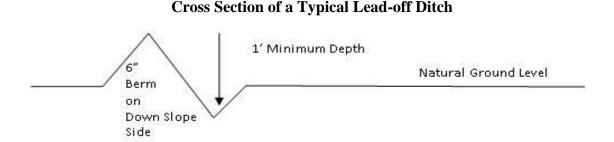
Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: $\underline{400'} + 100' = 200'$ lead-off ditch interval $\underline{4\%}$

Cattle guards

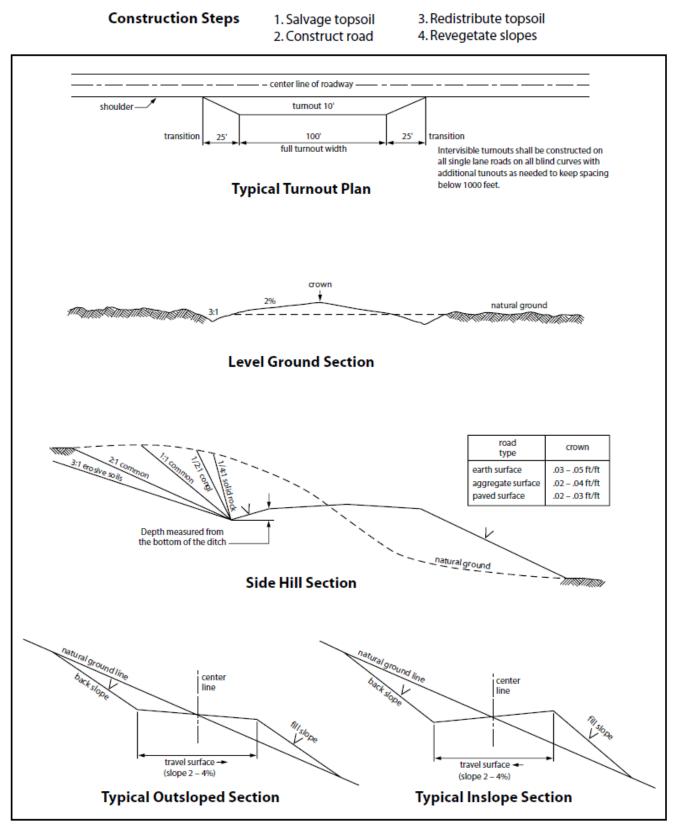
An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.





VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

Mixture 4, for Gypsum Sites

The holder shall seed all the disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

| Species | | lb/acre |
|--|-----|---------|
| Alkali Sacaton (<i>Sporobolus airoides</i>) DWS~ Four-wing saltbush (<i>Atriplex canescens</i>) | 1.5 | 8.0 |

~DWS: DeWinged Seed

*Pounds of pure live seed:

Pounds of seed **x** percent purity **x** percent germination = pounds pure live seed

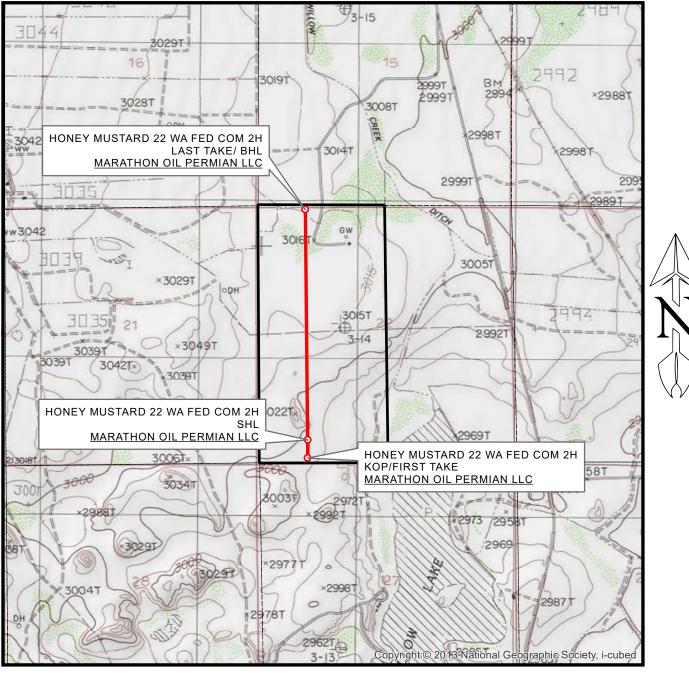
| Phone: (575) 393-6161 <u>District II</u> 811 S. First St., Artesia Phone: (575) 748-1283 <u>District III</u> 1000 Rio Brazos Road, Phone: (505) 334-6178 <u>District IV</u> 1220 S. St. Francis Dr., | 225 N. French Dr., Hobbs, NM 88240 hone: (575) 393-6161 Fax: (575) 393-0720 istrict II 11 S. First St., Artesia, NM 88210 hone: (575) 748-1283 Fax: (575) 748-9720 istrict III 100 Brazos Road, Aztec, NM 87410 hone: (505) 334-6178 Fax: (505) 334-6170 istrict IV 220 S. St. Francis Dr., Santa Fe, NM 87505 hone: (505) 476-3460 Fax: (505) 476-3462 | | | State of New Mexico Minerals & Natural Resources Department IL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 | | | | omit one o X AM | Form C-102 sed August 1, 2011 copy to appropriate District Office ENDED REPORT L Change | | |
|--|---|----------|----------------------------|--|------------------------|-----------|------------------|----------------------|--|------------|------------------------|
| | | 1 | WELL LO | DCATI | ON AND | ACR | EAGE DEDIC | CATION PLA | Т | | |
| | PI Numbe | | | ² Pool (| | | | ³ Pool Na | | | |
| 30-0 | 15-469 | 79 | | 98220 PURPLE SAGE; WOLFCAMP (GAS) | | | | AS) | | | |
| ⁴ Property C | Code | | ⁵ Property Name | | | | | ⁶ V | Well Number | | |
| | | | H | IONE | Y MUSTA | ARD 2 | 22 WA FED C | COM | | | 2H |
| ⁷ OGRID N | | | | | - | oerator N | | | | 1 | ⁹ Elevation |
| 37209 | 8 | | | MAF | RATHON | OIL I | PERMIAN LL | .C | | | 2998' |
| | | | | | ¹⁰ Sur | face I | Location | | | | |
| UL or lot no. | Section | Township | Range | Lot | Idn Feet fi | om the | North/South line | Feet from the | East | /West line | County |
| Μ | 22 | 24S | 28E | | 479 |) | SOUTH | 1019 | WE | ST | EDDY |
| | ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot | Idn Feet fi | om the | North/South line | Feet from the | East | /West line | County |
| D | 22 | 24S | 28E | | 100 NORTH 991 V | | WE | ST | EDDY | | |
| ¹² Dedicated Acres | ¹³ Joint o | r Infill | Consolidation | Code ¹ | ⁵ Order No. | | | | | | |
| 320.0 | | | | | | | | | | | |

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| A - x B - x C - x D - x Section 19 section 19 section 19 | ORNER COORDINATES IAD 83, SPCS NM EAST : 618435.00' / Y: 435137.87' : 618403.24' / Y: 440522.49' : 621014.41' / Y: 440514.29' : 621117.44' / Y: 435144.26' | CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 577251.41' / Y: 435079.46' B - X: 577219.77' / Y: 440463.98' C - X: 579860.89' / Y: 440455.75' D - X: 579933.80' / Y: 435085.82' | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. |
|--|---|---|--|
| SECTION 16 SECTION 21 991' B SECTION 21 991' C N NO SECTION 21 991' C SECTION 21 991 | C SECTION 15 SECTION 22 | SECTION 14 SECTION 23 | Ile 12/8/2020 Signature Date Adrian Covarrubias Printed Name E-mail Address |
| | LAST T | AKE POINT/BOTTOM HOLE LOCATION 100' FNL 991' FWL, SECTION 22 NAD 83, SPCS NM EAST X:619394.42' / Y:440419.41' 32.21053791N / LON:104.08094905W NAD 27, SPCS NM EAST X:578210.93' / Y:440360.89' 32.21041628N / LON:104.08045685W KOP/FIRST TAKE POINT 100' FSL 1011' FWL, SECTION 22 | IsSURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. |
| SHEET 1 OF 4 | | NAD 83, SPCS NM EAST X:619444.86' / Y:435240.27' AT:32.19630071N / LON:104.08082530W NAD 27, SPCS NM EAST X:578261.26' / Y:435181.85' AT:32.19617890N / LON:104.08033354W SURFACE HOLE LOCATION 479' FSL 1019' FWL, SECTION 22 NAD 83, SPCS NM EAST X:619447.36' / Y:435618.88' AT:32.19734145N / LON:104.08081434W NAD 27, SPCS NM EAST | DECEMBER 8, 2020 Date of Survey Signature and Seal of Professional Surveyor: |

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99977572 Convergence Angle: 00°08'09.70192"

LOCATION VERIFICATION MAP



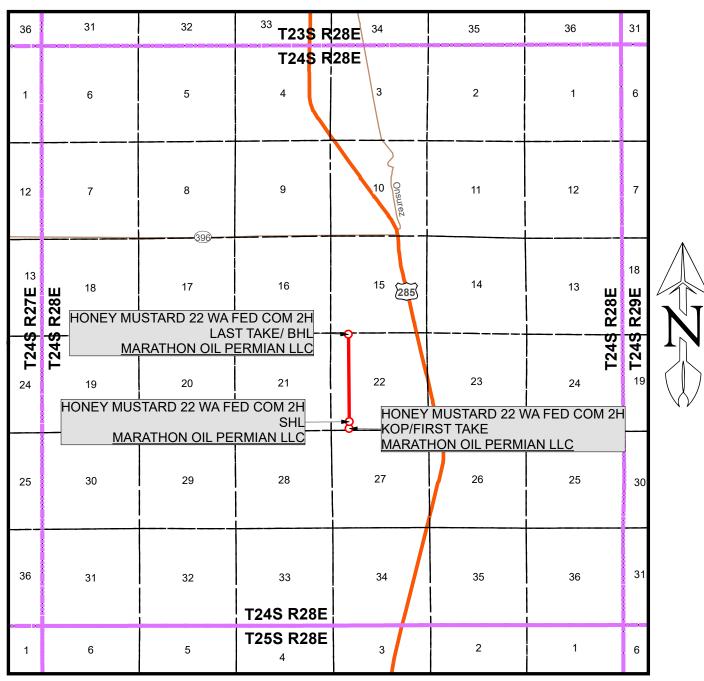
SEC. 22 TWP. 24-S RGE. 28-E SURVEY: N.M.P.M. COUNTY: EDDY OPERATOR: MARATHON OIL PERMIAN LLC DESCRIPTION: 479' FSL & 1019' FWL ELEVATION: 2998' LEASE: HONEY MUSTARD 22 FED COM U.S.G.S. TOPOGRAPHIC MAP: MALAGA, NM.

1 " = 2,000 ' CONTOUR INTERVAL = 10'



PREPARED BY: R-SQUARED GLOBAL, LLC 1309 LOUISVILLE AVENUE, MONROE, LA 71201 318-323-6900 OFFICE JOB No. R3935_002

VICINITY MAP



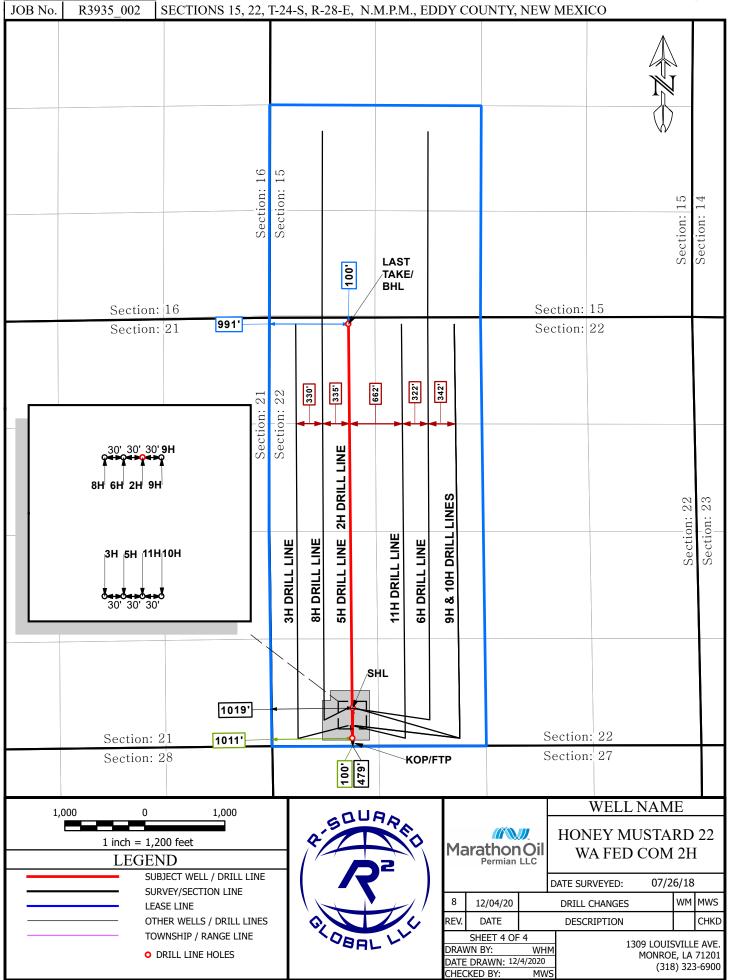
SEC. 22 TWP. 24-S RGE. 28-E SURVEY: N.M.P.M. COUNTY: EDDY OPERATOR: MARATHON OIL PERMIAN LLC DESCRIPTION: 479' FSL & 1019' FWL ELEVATION: 2998' LEASE: HONEY MUSTARD 22 FED COM U.S.G.S. TOPOGRAPHIC MAP: MALAGA, NM.

1 " = 1 MILE

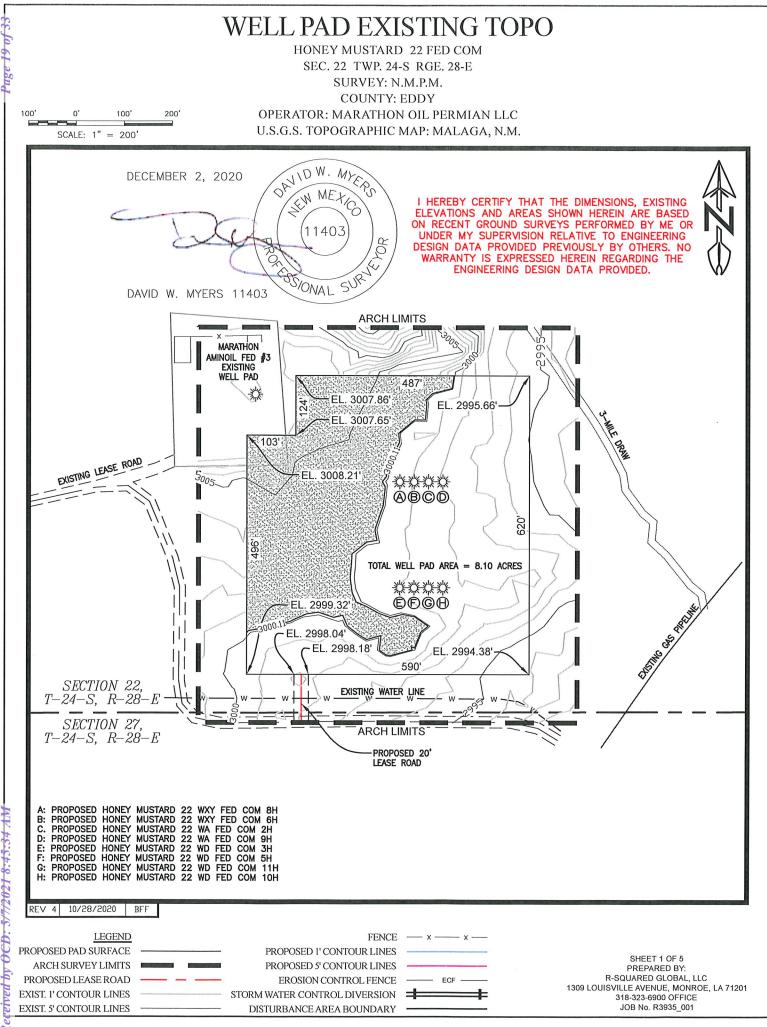


PREPARED BY: R-SQUARED GLOBAL, LLC 1309 LOUISVILLE AVENUE, MONROE, LA 71201 318-323-6900 OFFICE JOB No. R3935_002

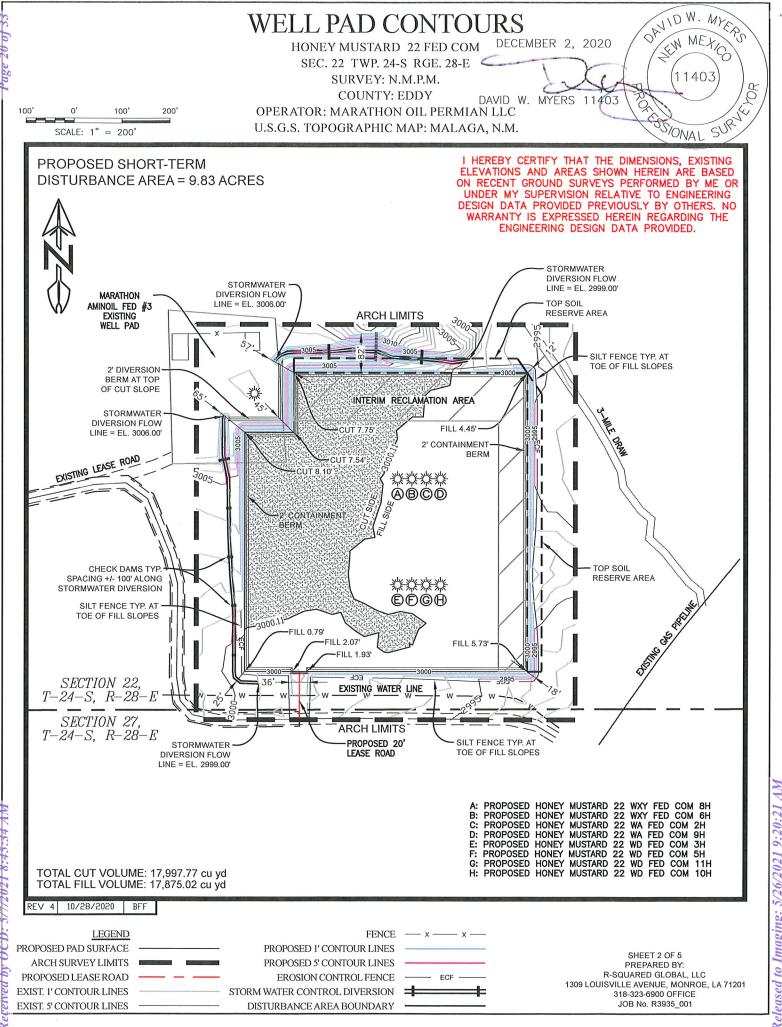
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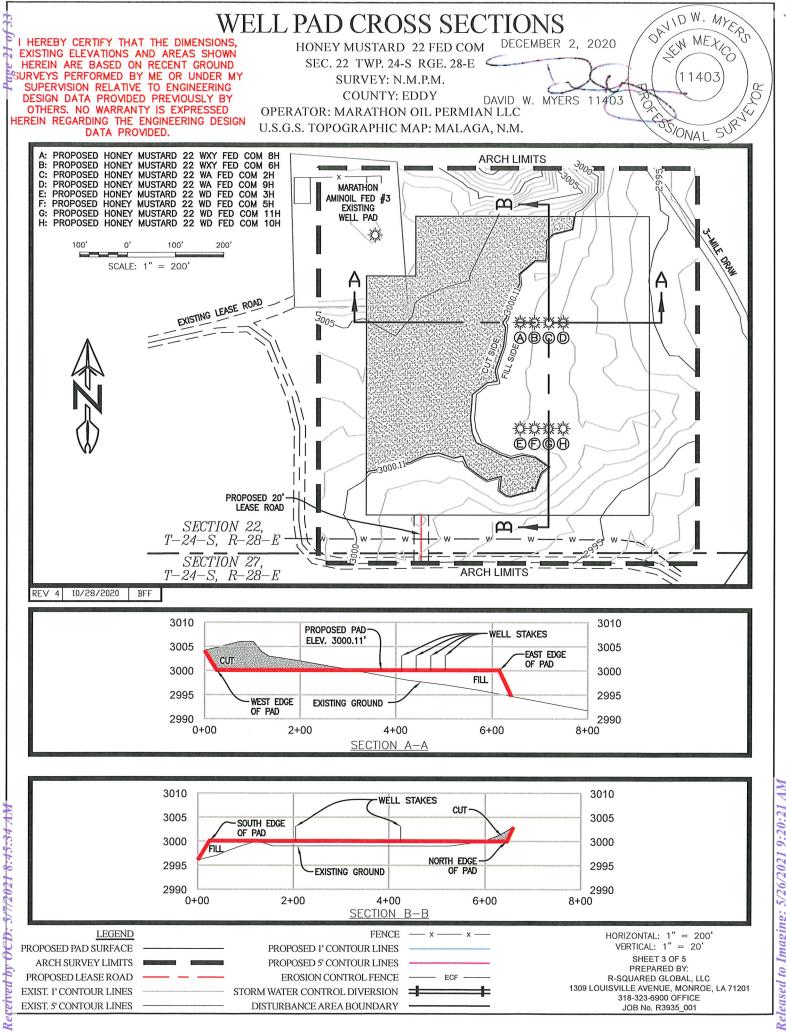


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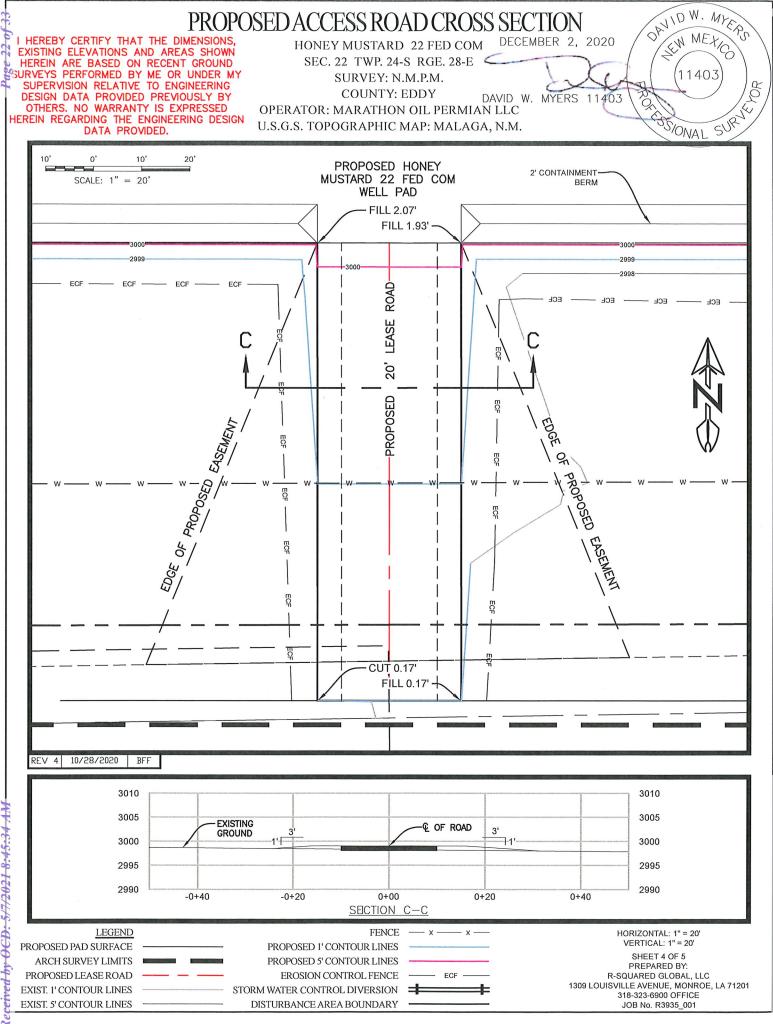


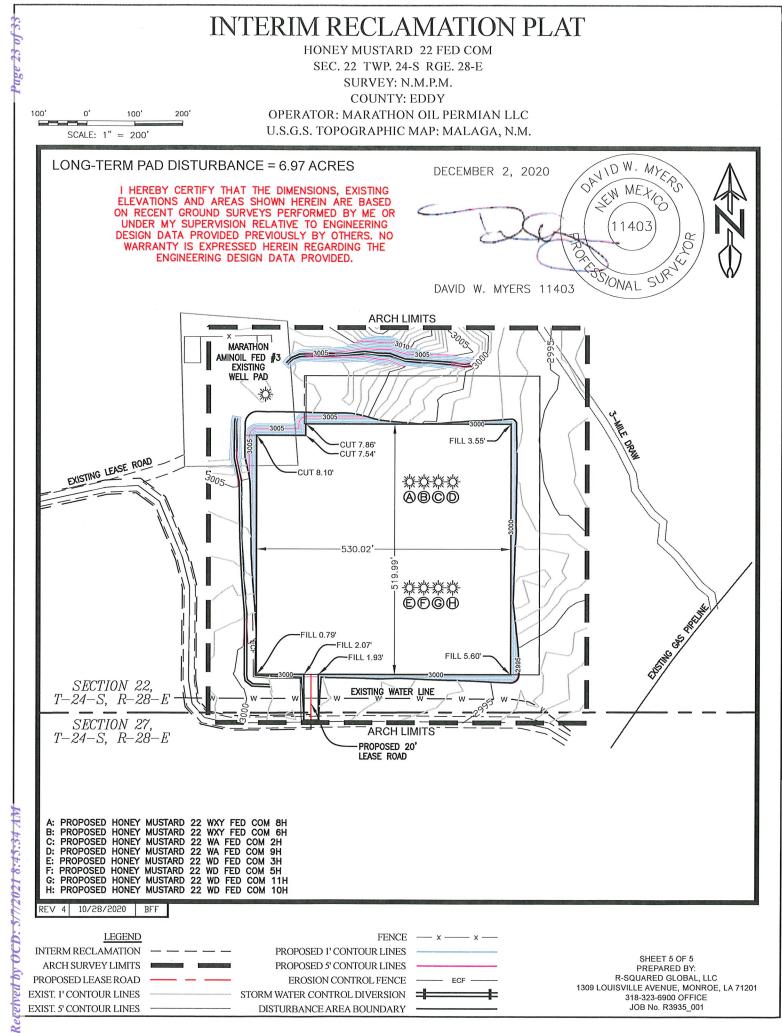
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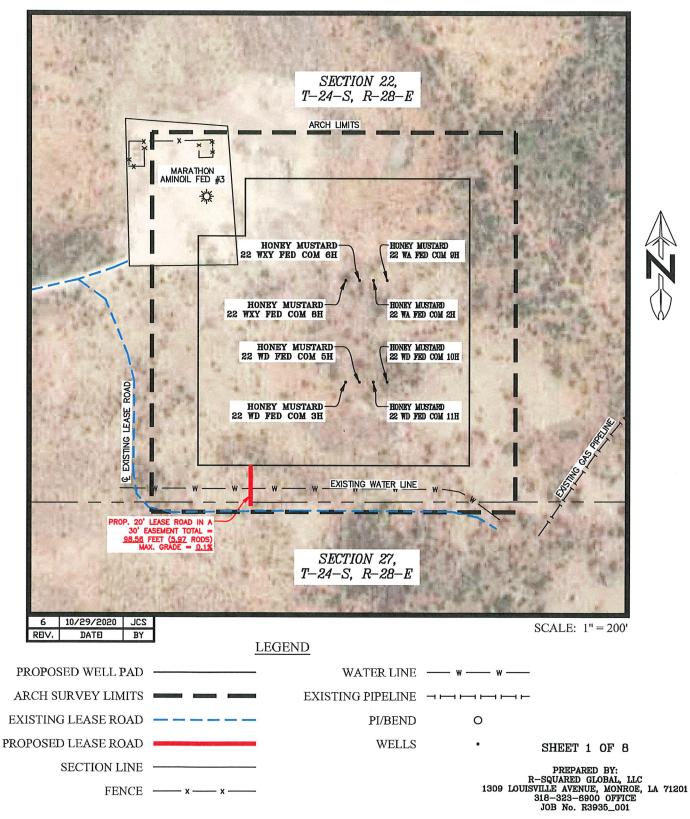
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NEW OR RECONSTRUCTED ACCESS ROADS

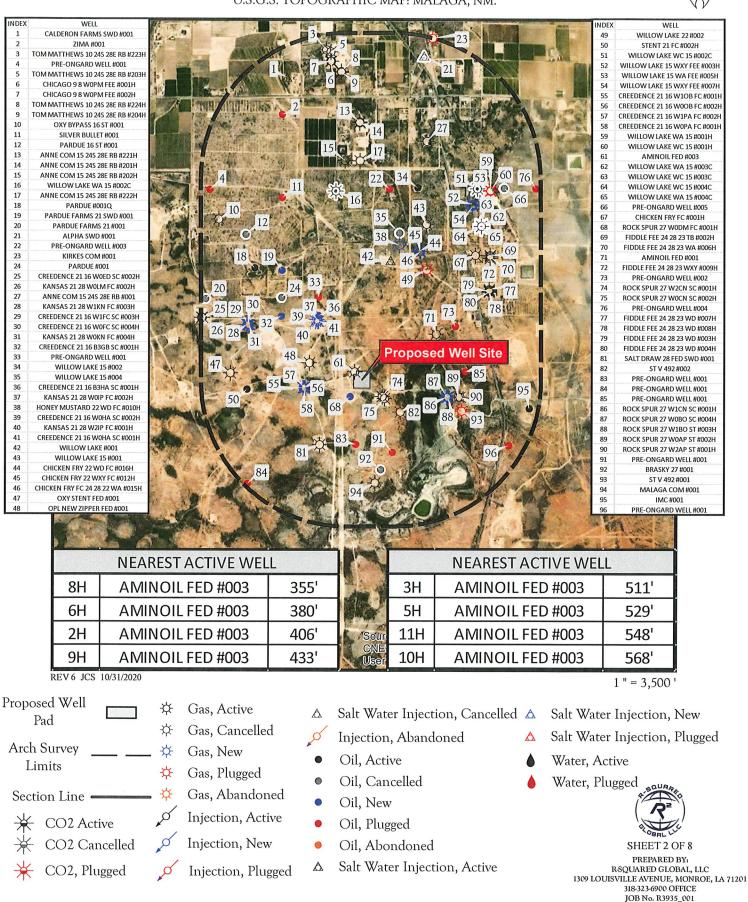
HONEY MUSTARD 22 FED COM SEC. 22 TWP. 24-S RGE. 28-E SURVEY: N.M.P.M. COUNTY: EDDY OPERATOR: MARATHON OIL PERMIAN LLC U.S.G.S. TOPOGRAPHIC MAP: MALAGA, N.M.



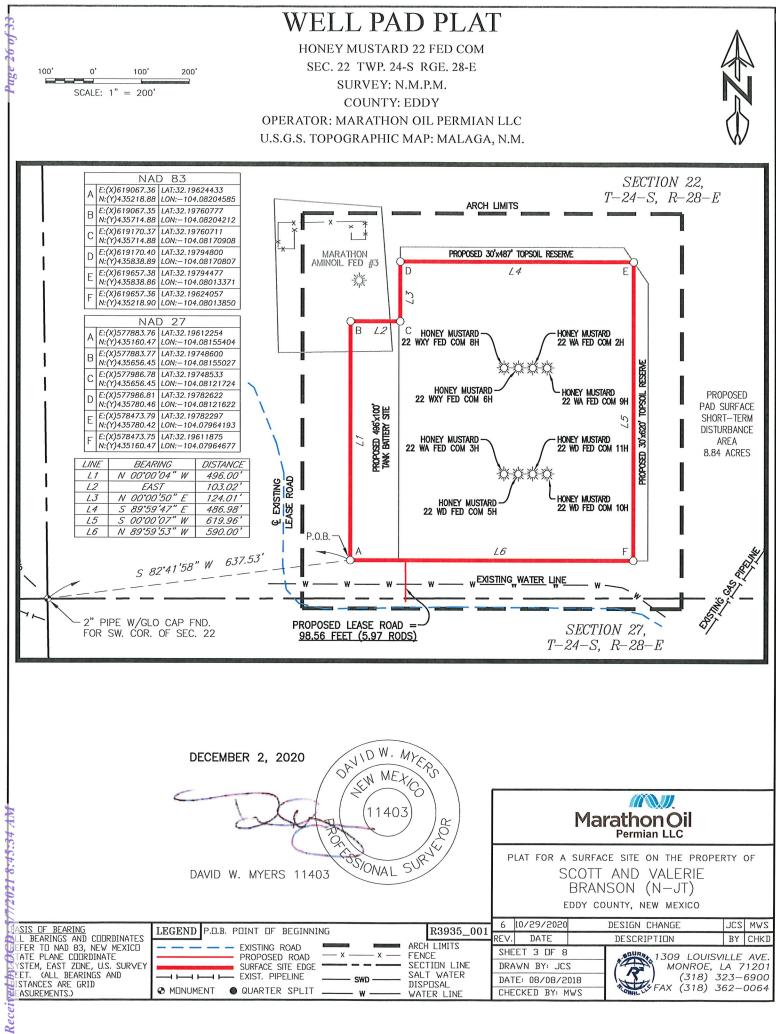
Released to Imaging: 5/26/2021 9:20:21 AM

ONE-MILE RADIUS MAP HONEY MUSTARD 22 FED COM SEC. 22 TWP. 24-S RGE. 28-E SURVEY: N.M.P.M. COUNTY: EDDY OPERATOR: MARATHON OIL PERMIAN LLC U.S.G.S. TOPOGRAPHIC MAP: MALAGA, NM.





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WELL PAD PLAT Honey mustard 22 fed com sec. 22 twp. 24-s rge. 28-e survey: n.m.p.m. county: eddy

OPERATOR: MARATHON OIL PERMIAN LLC

U.S.G.S. TOPOGRAPHIC MAP: MALAGA, N.M.

FIELD NOTES DESCRIBING

A tract of land being 8.10 acres. Said tract being located in Section 22, Township 24 South, Range 28 East, New Mexico Principal Meridian, Eddy County, New Mexico.

Being more particularly described by metes and bounds as follows:

BEGINNING at a point from which a 2 inch pipe with GLO cap found for the Southwest corner of said Section 22 bears S 82°41'58" W a distance of 637.53 feet.

THENCE

N 00°00'04" W a distance of 496.00 feet, EAST a distance of 103.02 feet,

N 00°00'50" E a distance of 124.01 feet, S 89°59'47" E a distance of 486.98 feet,

S 00°00'07" W a distance of 619.96 feet and N 89°59'53" W a distance of 590.00 feet to the POINT OF BEGINNING.

The total area of the herein described tract contains 8.10 acres of land.

All bearings and coordinates refer to NAD 83, New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet. (All bearings and distances are grid measurements.)

Title information furnished by Marathon Oil Permian LLC.

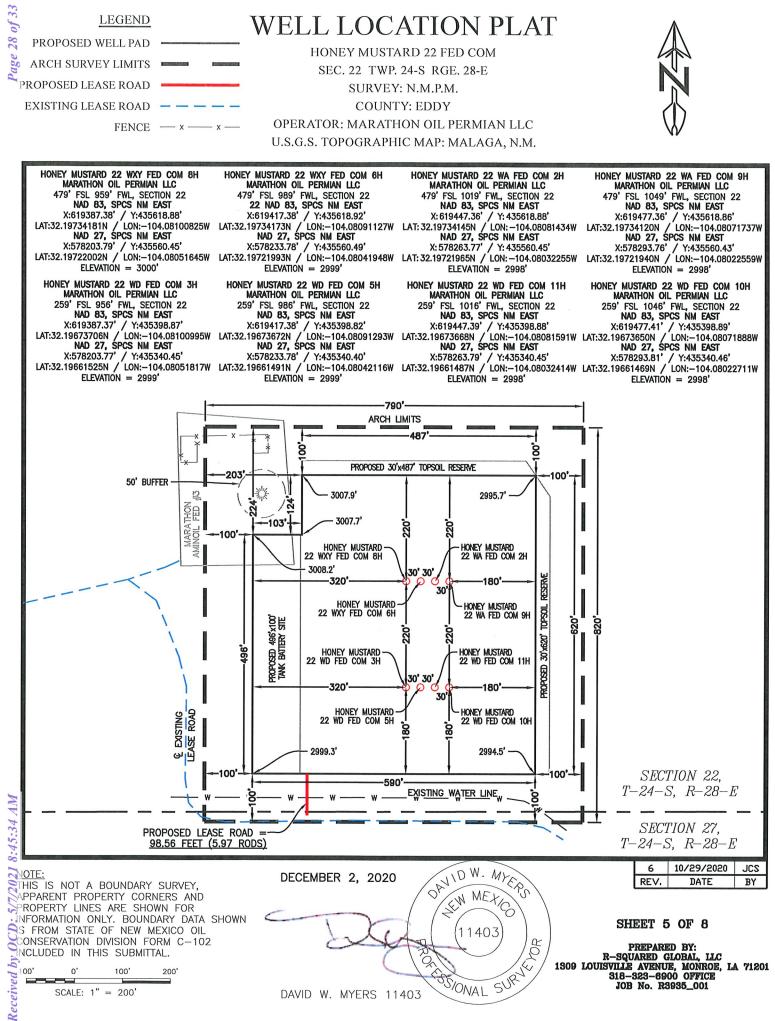
Reference accompanying Certificate of Survey prepared in conjunction with this legal description for easement.

STATE OF NEW MEXICO COUNTY OF EDDY

I, David W. Myers, New Mexico Professional Surveyor No. 11403, do hereby certify that this easement survey plat and the actual survey on the ground upon which it is based were performed by me or under my direct supervision; that I am responsible for this survey; that this survey meets the minimum standards for surveying in New Mexico; and that it is true and correct to the best of my knowledge and belief. I further certify that this survey is not a land division or subdivision as defined in the New Mexico Subdivision Act and that this instrument is an easement survey plat crossing an existing tract or tracts.

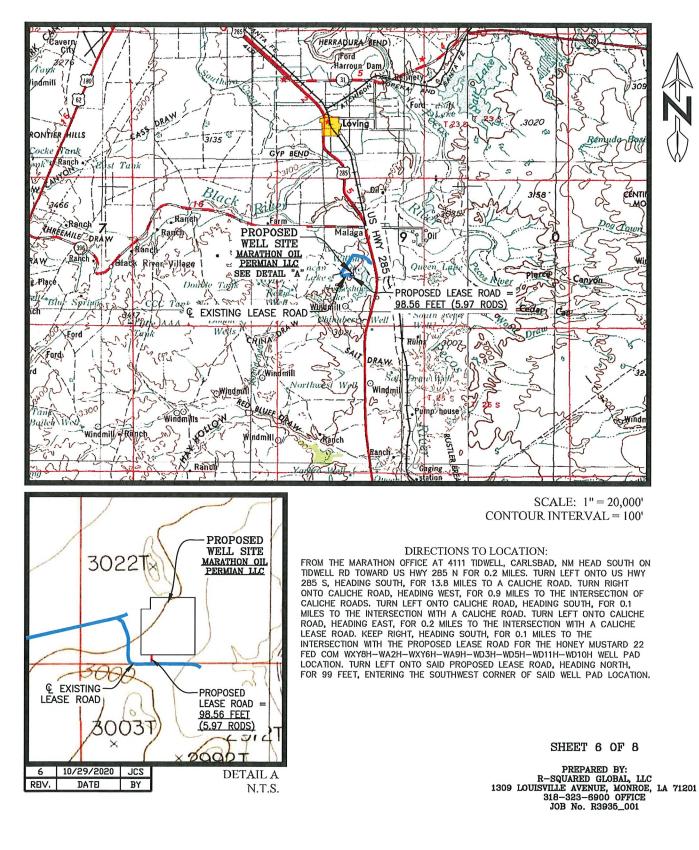
| DECEMBER 2, 2020 | SPANDW. MYER |
|--------------------|--------------|
| $\langle \rangle$ | EN MILTE |
| all | A (11403) A |
| | Con CIRS |
| DAVID W. MYERS 114 | 03 VINAL SU |

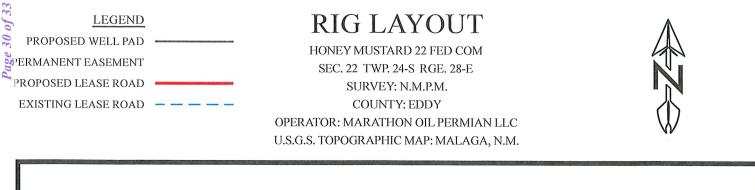
| MIV + C | | | Ма | rathonOil Permian LLC | - |
|--|--|---|---|---|--------|
| | | | SCOTT BRAN | ce site on the prope AND VALERIE ISON (N—JT) dunty, new mexico | RTY OF |
| ASIS DF BEARING L BEARINGS AND COURDINATES FER TO NAD 83, NEW MEXICO STATE PLANE COURDINATE STATE PLANE COURDINATE STATE, EAST ZONE, U.S. SURVEY EET. (ALL BEARINGS AND USTANCES ARE GRID SAUREMENTS.) | LEGEND P.D.B. PDINT DF BEGINNING R3935_C PROPOSED ROAD ARCH LIMITS PROPOSED ROAD FENCE SURFACE SITE EDGE SALT WATER SALT WATER MUNUMENT QUARTER SPLIT W WATER LINE | R | 6 10/29/2020 REV. DATE SHEET 4 DF 8 DRAWN BY: JCS DATE: 08/08/2018 CHECKED BY: MWS | | |

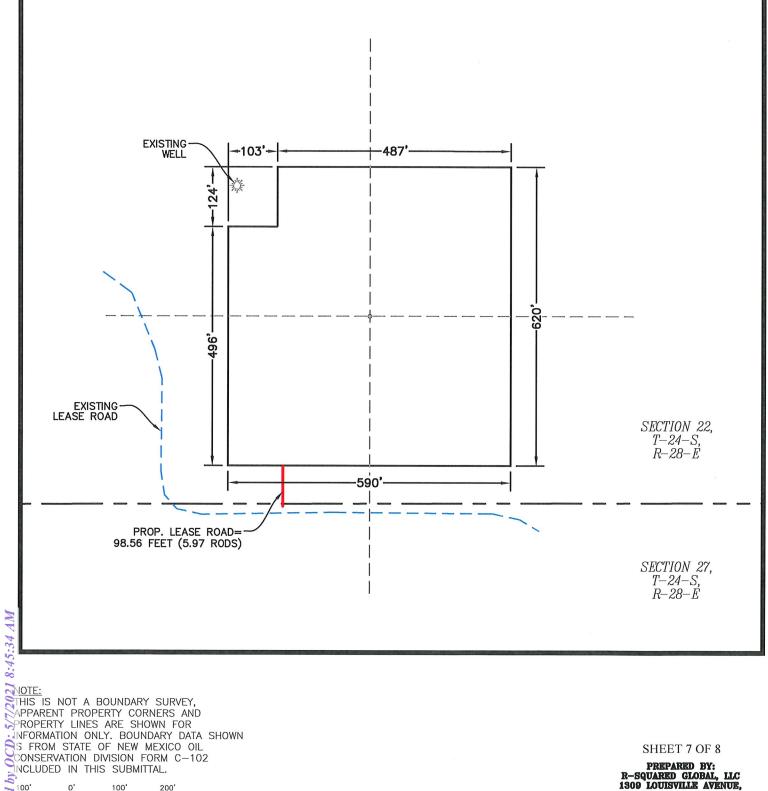


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HONEY MUSTARD 22 FED COM SEC. 22 TWP. 24-S RGE. 28-E SURVEY: N.M.P.M. COUNTY: EDDY OPERATOR: MARATHON OIL PERMIAN LLC U.S.G.S. TOPOGRAPHIC MAP: MALAGA, N.M.







AN

8:45:34

100'

Received 0'

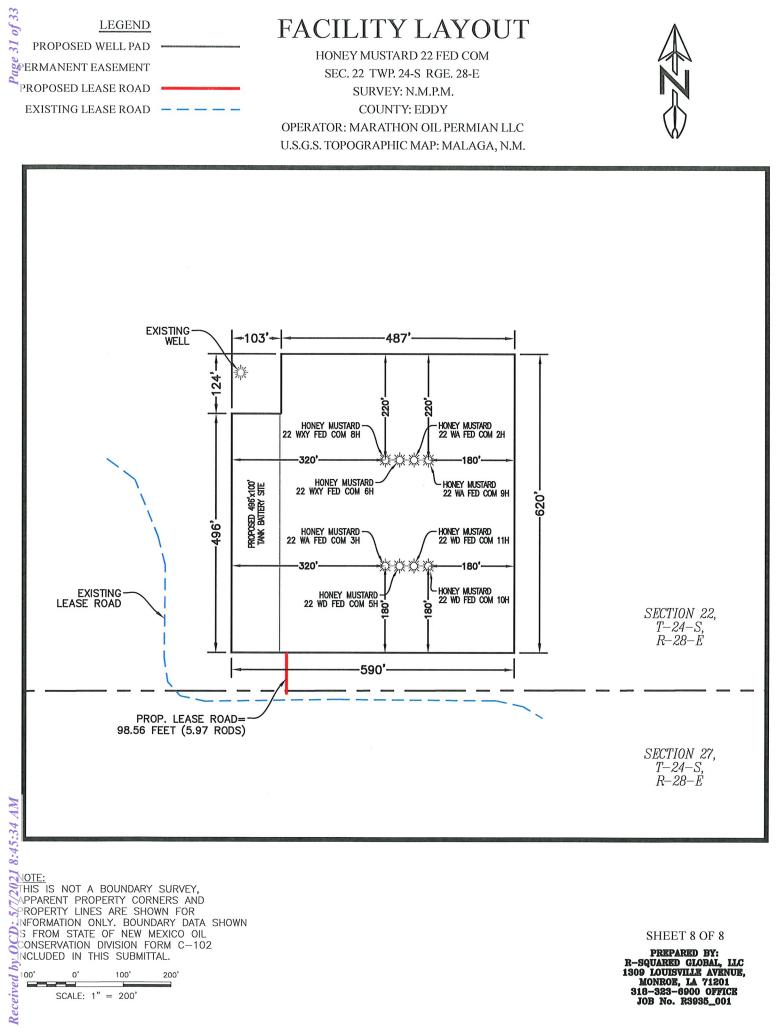
SCALE: 1" = 200'

100'

200

FREFARED B1: R-SQUARED GLOBAL, LLC 1309 LOUISVILLE AVENUE, MONROE, LA 71201 318-323-6900 OFFICE JOB No. R3935_001

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District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

COMMENTS

| Operator: | OGRID: |
|--------------------------|--------------------------------------|
| MARATHON OIL PERMIAN LLC | 372098 |
| 5555 San Felipe St. | Action Number: |
| Houston, TX 77056 | 27267 |
| | Action Type: |
| | [C-103] NOI Change of Plans (C-103A) |

COMMENTS

| Created By | Comment | Comment Date |
|------------|---------------------|--------------|
| jagarcia | Accepted for Record | 5/26/2021 |

COMMENTS

Page 32 of 33

Action 27267

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

| OGRID: |
|--------------------------------------|
| 372098 |
| Action Number: |
| 27267 |
| Action Type: |
| [C-103] NOI Change of Plans (C-103A) |
| |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------|----------------|
| jagarcia | None | 5/26/2021 |

CONDITIONS

Page 33 of 33

Action 27267