

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS

State of New Mexico

Energy Minerals and Natural Resources

Form C-103
Revised July 18, 2013

MAR 15 2018

RECEIVED

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

| |
|---|
| WELL API NO. 30-025-02605 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. 014961 |
| 7. Lease Name or Unit Agreement Name STATE AA |
| 8. Well Number 1 |
| 9. OGRID Number 372098 |
| 10. Pool name or Wildcat SWD; YATES |

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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other SWD

2. Name of Operator
Marathon Oil Permian LLC

3. Address of Operator
5555 San Felipe St., Houston, TX 77056

4. Well Location
Unit Letter I: 660 feet from the EAST line and 1980 feet from the SOUTH line
Section 35 Township 21S Range 34E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3669' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: TEMPORARILY ABANDON ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Marathon Oil Permian, LLC notified the State 24 hr. prior to running MIT and is submitting successful MIT performed on 3/9/2018 which was witnessed by State representative. Please see attached.

Pressure test start 610 psi for 32 minutes, end with 600 psi.

This Approval of Temporary
Abandonment Expires 3/9/2022

Spud Date:

Rig Release Date:

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

SIGNATURE Jennifer Van Curen TITLE Sr. Regulatory Compliance DATE 3/15/2018

Type or print name Jennifer Van Curen E-mail address: jvancuren@marathonoil.com PHONE: 713-296-2500

For State Use Only

APPROVED BY: Maley Brown TITLE AO/II DATE 3/15/2018

Conditions of Approval (if any):

RBDMS - CHART - ✓

MB

| | | | | | | | |
|-------------------------|----------------------------------|----------------------------|-------|-------------------|-------|-----------------------|------------------------|
| Well Name STATE AA 1 | | API/ IPO UWI 3002502605 | | Orig KB Elev (ft) | | Ground Elevation (ft) | Drilling Rig Spud Date |
| Legal Survey Type | Qtr/Qtr, Block, Sec, Town, Range | N/S Dist (ft) | N/... | E/W Dist (ft) | E/... | County | State/Province |
| Congressional Location | 35, 34E, 21S | 1,980.0 | FSL | 660.0 | FEL | LEA | NEW MEXICO |

Vertical schematic (actual)

Wellbore Sections

| Section Des | Size (in) | Act Btm (ftKB) |
|--------------|-----------|----------------|
| Surface | 12 1/4 | 240.0 |
| Production 1 | 7 7/8 | 3,823.0 |
| Openhole | 4 3/4 | 4,169.0 |

Casing Strings

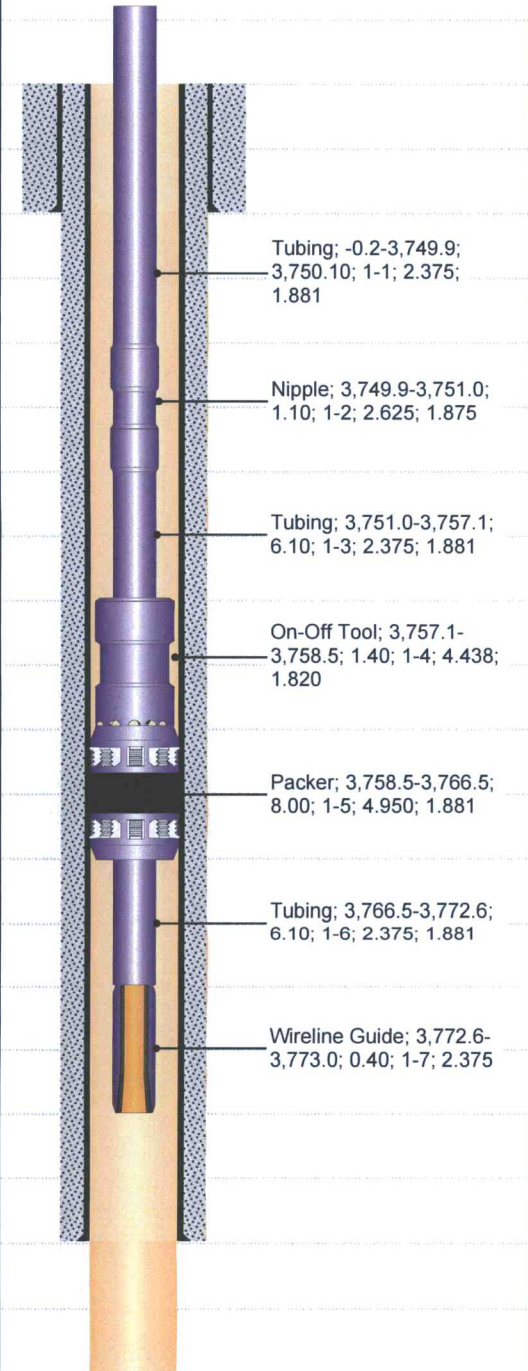
| Csg Des | Run Date | Set Depth (ftKB) | Com |
|--------------|----------|------------------|-----------------|
| Surface | | 240.0 | 8-5/8" 24# |
| Production 1 | | 3,823.0 | 5-1/2" 15# K-55 |

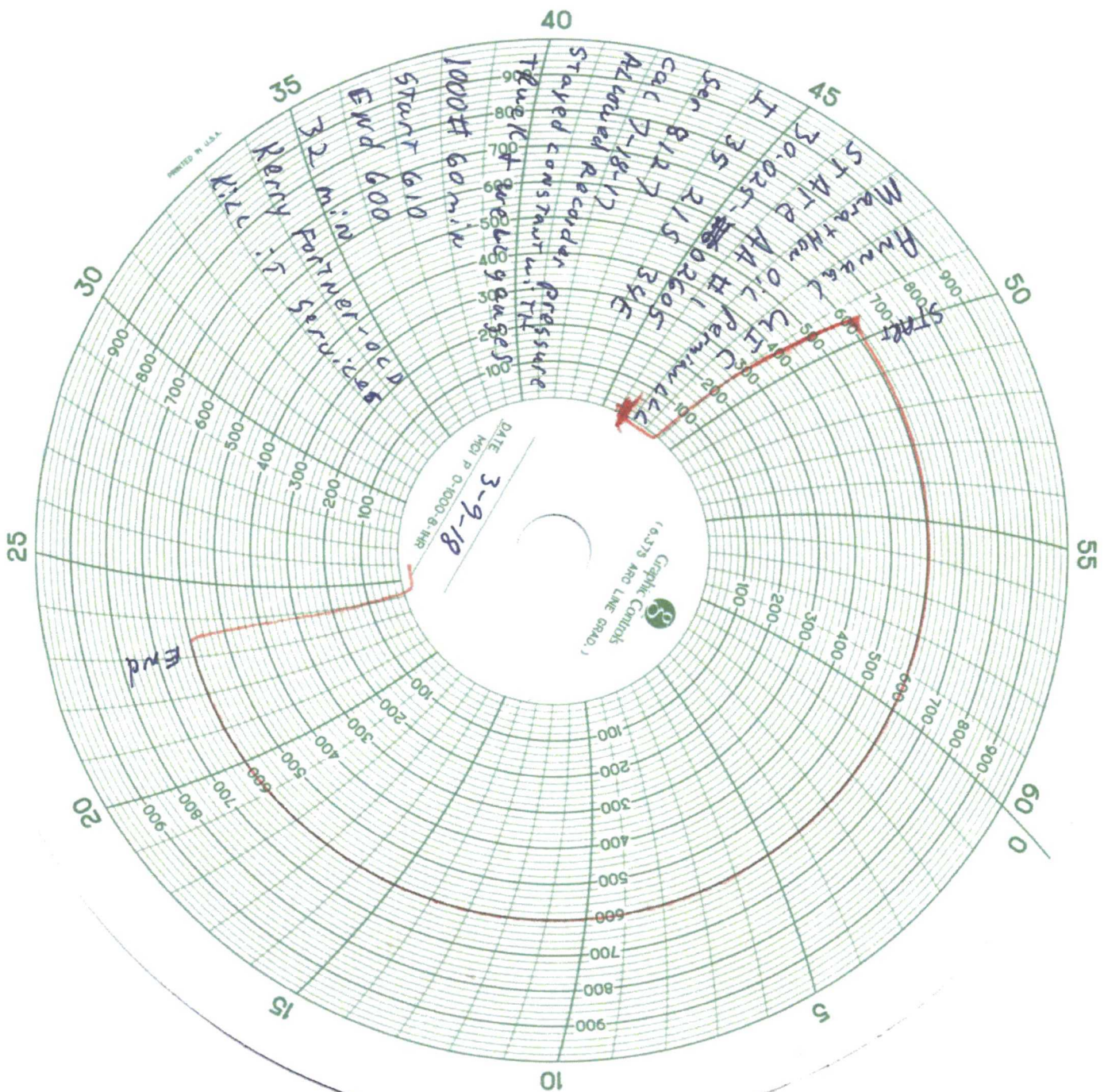
Cement Stages

| Des | Start Date | Stg # | Top (ftKB) | Btm (ftKB) | Com |
|--------------------------|------------|-------|------------|------------|----------------------|
| Production Casing Cement | | 1 | 0.0 | 3,823.0 | 850 sx (TOC at surf) |
| Surface Casing Cement | | 1 | 0.0 | 240.0 | 200 sx (TOC at surf) |

Tubing Strings

| Run Date | Set Depth (ftKB) | Com |
|-----------|------------------|------------------------------|
| 6/28/2016 | 3,773.0 | 2-3/8" IPC, AS1X pkr @ 3759' |





State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

| | | |
|--|--|--|
| Operator Name MARATHON OIL PERMIAN,LLC | | API Number 30-025-02605-0000 |
| Property Name STATE A A | | Well No. 001 |

7. Surface Location

| | | | | | | | | |
|----------------------|----------------------|-------------------------|----------------------|--------------------------|----------------------|-------------------------|----------------------|----------------------|
| UL - Lot 1 | Section 35 | Township 21-S | Range 34-E | Feet from 1980 | N/S Line S | Feet From 660 | E/W Line E | County LEA |
|----------------------|----------------------|-------------------------|----------------------|--------------------------|----------------------|-------------------------|----------------------|----------------------|

Well Status

| | | | | |
|--|--|--|---|------------------------|
| TA'D Well YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> | SHUT-IN YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> | INJECTOR INJ <input type="checkbox"/> SWD <input checked="" type="checkbox"/> | PRODUCER OIL <input type="checkbox"/> GAS <input type="checkbox"/> | DATE 3/09/18 |
|--|--|--|---|------------------------|

OBSERVED DATA

| | (A)Surf-Interm | (B)Interm(1) | (C)Interm(2) | (D)Prod Csg | (E)Tubing |
|-----------------------------|----------------|--------------|--------------|--------------|--------------------|
| Pressure | 0 | — | — | 0 | 24 |
| Flow Characteristics | | | | | |
| Puff | Y / 0 | Y / N | Y / N | 0 / N | CO2 — |
| Steady Flow | Y / 0 | Y / N | Y / N | Y / 0 | WTR — |
| Surges | Y / 0 | Y / N | Y / N | Y / 0 | GAS — |
| Down to nothing | 0 / N | Y / N | Y / N | 0 / N | If applicable type |
| Gas or Oil | Y / 0 | Y / N | Y / N | Y / 0 | fluid injected for |
| Water | Y / 0 | Y / N | Y / N | Y / 0 | Waterflood |

Remarks: Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

| | | |
|--|--------|----------------------------------|
| Signature: | | OIL CONSERVATION DIVISION |
| Printed name: | | Entered into RBDMS |
| Title: | | Re-test |
| E-mail Address: | | |
| Date: | Phone: | |
| Witness: KERRY FORTNER-OCD 575-399-3221 | | |