

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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 page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM85940
2. Name of Operator MARATHON OIL PERMIAN LLC		6. If Indian, Allottee or Tribe Name
3a. Address 5555 SAN FELIPE STREET HOUSTON, TX 77056		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 713.296.2500		8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool or Exploratory Area DIAMONDTAIL WILDCAT;WOLFCAMP
		11. County or Parish, State LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Marathon Oil Permian LLC (Marathon) is requesting a variance to the original APD to use the Spudder rig to pre-set surface casing.

If the timing between rigs is such that Marathon would not be able to preset the surface casing, the primary drilling rig will drill the well in its entirety per the APD.

Spudder rig will also be used for the following well:
Urraca Federal Com 23 32 11 AV 24H (API 30-025-42226)

Urraca Fed Com 23 32 11 SB 4H

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Carlsbad Field Office
OFFICIAL FILE COPY
OCD Hobbs

14. I hereby certify that the foregoing is true and correct. Electronic Submission #420785 verified by the BLM Well Information System For MARATHON OIL PERMIAN LLC, sent to the Hobbs Committed to AFMSS for processing by ZOTA STEVENS on 05/21/2018 (18ZS0109SE)	
Name (Printed/Typed) JENNIFER VAN CUREN	Title SR. REGULATORY COMPLIANCE REP
Signature (Electronic Submission)	Date 05/18/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>ZOTA STEVENS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>05/21/2018</u>
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 Hobbs

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.

(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

K.B.

Additional data for EC transaction #420785 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM85940	NMNM85940	URRACA FEDERAL COM 23 32 11340284	42226-00-X1	Sec 11 T23S R32E NENW 0430FNL 1614FWL 32.193102 N Lat, 103.648750 W Lon
NMNM85940	NMNM85940	URRACA FEDERAL COM 23 32 11340254	41968-00-X1	Sec 11 T23S R32E NWNW 0330FNL 0440FWL 32.193192 N Lat, 103.390919 W Lon

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	MARATHON OIL PERMIAN,LLC
LEASE NO.:	NMNM85940
WELL NAME & NO.:	URRACA FEDERAL COM 23 32 11
SURFACE HOLE FOOTAGE:	
BOTTOM HOLE FOOTAGE:	
LOCATION:	Section 11, T. 23 S., R 32 E., NMPM
COUNTY:	Lea County, New Mexico

COA

All previous COAs still apply expect the following:

H2S	<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input checked="" type="radio"/> Secretary	<input checked="" type="radio"/> R-111-P
Cave/Karst Potential	<input checked="" type="radio"/> Low	<input checked="" type="radio"/> Medium	<input checked="" type="radio"/> High
Variance	<input checked="" type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input checked="" type="radio"/> Other
Wellhead	<input checked="" type="radio"/> Conventional	<input checked="" type="radio"/> Multibowl	<input checked="" type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. The operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.

ZS 052118