

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

Form C-101
August 1, 2011

Permit 244924

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

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MARATHON OIL PERMIAN LLC 5555 San Felipe St. Houston, TX 77056		2. OGRID Number 372098
		3. API Number 30-025-44212
4. Property Code 320065	5. Property Name KNIFE FIGHT FEE 24 34 26 WA	6. Well No. 006H

7. Surface Location

UL - Lot A	Section 26	Township 24S	Range 34E	Lot Idn A	Feet From 271	N/S Line N	Feet From 1175	E/W Line E	County Lea
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8. Proposed Bottom Hole Location

UL - Lot P	Section 26	Township 24S	Range 34E	Lot Idn P	Feet From 330	N/S Line S	Feet From 1318	E/W Line E	County Lea
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9. Pool Information

ANTELOPE RIDGE;WOLFCAMP, N (GAS)	70455
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 2997
16. Multiple N	17. Proposed Depth 17200	18. Formation Wolfcamp	19. Contractor	20. Spud Date 12/10/2017
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	500	522	0
Int1	12.25	9.625	40	5450	1912	0
Prod	8.75	7	29	12400	1258	0
Liner1	6.125	4.5	13.5	17200	532	11900

Casing/Cement Program: Additional Comments

6-1/8" Pilot Hole will be drilled from 7" casing shoe to 13500' TVD with OBM. Pilot hole will be P&A and a cased hole whipstock will be set at ~12000'. A window will be milled and a 6-1/8" curve/lateral section will be drilled in the Wolfcamp A formation (TD: 17200').
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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	schaffer
Double Ram	10000	5000	schaffer

<p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/>, if applicable.</p> <p>Signature:</p>	<p>OIL CONSERVATION DIVISION</p>
Printed Name: Electronically filed by Melissa Szudera	Approved By: Paul Kautz
Title: Regulatory Compliance Representative	Title: Geologist
Email Address: mszudera@marathonoil.com	Approved Date: 11/20/2017
Date: 11/20/2017	Expiration Date: 11/20/2019
Phone: 701-260-7272	Conditions of Approval Attached

WATER RIGHTS AND WATER RIGHTS/CLAIMS
 STATE OF NEW MEXICO
 OFFICE OF THE STATE ENGINEER
 WATER RIGHTS DIVISION

Applicant	STATE OF NEW MEXICO	Project	STATE OF NEW MEXICO
Applicant Address	STATE OF NEW MEXICO	Project Address	STATE OF NEW MEXICO
Applicant City	STATE OF NEW MEXICO	Project City	STATE OF NEW MEXICO
Applicant State	STATE OF NEW MEXICO	Project State	STATE OF NEW MEXICO
Applicant Zip	STATE OF NEW MEXICO	Project Zip	STATE OF NEW MEXICO

Applicant Type	State	Project Type	State
Applicant Category	State	Project Category	State
Applicant Subcategory	State	Project Subcategory	State


WATER RIGHTS CLAIM
 This form is used to claim a water right in New Mexico. It must be filled out by the claimant and submitted to the Office of the State Engineer.

CLAIMANT INFORMATION
 Name: STATE OF NEW MEXICO
 Address: STATE OF NEW MEXICO
 City: STATE OF NEW MEXICO
 State: STATE OF NEW MEXICO
 Zip: STATE OF NEW MEXICO

PROJECT INFORMATION
 Project Name: STATE OF NEW MEXICO
 Project Address: STATE OF NEW MEXICO
 Project City: STATE OF NEW MEXICO
 Project State: STATE OF NEW MEXICO
 Project Zip: STATE OF NEW MEXICO

WATER RIGHTS INFORMATION
 Right Number: STATE OF NEW MEXICO
 Right Description: STATE OF NEW MEXICO
 Right Priority: STATE OF NEW MEXICO
 Right Date: STATE OF NEW MEXICO

Signature: _____
 Title: _____
 Date: _____



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

PERMIT COMMENTS

Operator Name and Address: MARATHON OIL PERMIAN LLC [372098] 5555 San Felipe St. Houston, TX 77056	API Number: 30-025-44212
	Well: KNIFE FIGHT FEE 24 34 26 WA #006H

Created By	Comment	Comment Date
jvancuren	First take is 330 FNL and 1324 FEL, 32.19486060, -103.43648517	11/20/2017
jvancuren	An NSP will be filed for this permit as well if needed. Please let me know if you do not have this one as a gas 320 acre spacing unit. It is only 330 from project area boundary, so the NSL will be filed as well.	11/20/2017
pkautz	Requires NSL for a gas well	11/20/2017

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PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MARATHON OIL PERMIAN LLC [372098] 5555 San Felipe St. Houston, TX 77056	API Number: 30-025-44212 <hr/> Well: KNIFE FIGHT FEE 24 34 26 WA #006H
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OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Will require a administrative order for non-standard location prior to placing the well on production.
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Pit construction and closure must satisfy all requirements of your approved plan.
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE1 CASING - Cement must circulate to surface -- 2) INTERMEDIATE2 CASING - Cement must tie back into intermediate1 casing -- 3) PRODUCTION CASING - Cement must tie back into intermediate2 casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Operator shall notify appropriate District office when setting conductor pipe.
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	Lost Circulation - Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
pkautz	Stage Tool - 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.
pkautz	Gas Capture Plan - Operator to Submit Gas Capture Plan ASAP.