

| <b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br>Phone:(575) 393-6161 Fax:(575) 393-0720<br><b>District II</b><br>811 S. First St., Artesia, NM 88210<br>Phone:(575) 748-1283 Fax:(575) 748-9720<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br>Phone:(505) 334-6178 Fax:(505) 334-6170<br><b>District IV</b><br>1220 S. St Francis Dr., Santa Fe, NM 87505<br>Phone:(505) 476-3470 Fax:(505) 476-3462                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><b>Oil Conservation Division</b><br><b>1220 S. St Francis Dr.</b><br><b>Santa Fe, NM 87505</b> | Form C-103<br>August 1, 2011<br>Permit 257024<br>WELL API NUMBER<br>30-025-44164<br>5. Indicate Type of Lease<br>P<br>6. State Oil & Gas Lease No.<br><br>7. Lease Name or Unit Agreement Name<br>FLOWMASTER FEE 24 34 15<br>TBU |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------|-----------------------------|---------------------------------------------|------------------------------------------------|-------------------------------------------|----------------------------------------|---------------------------------------|----------------------------------------------|------------------------------------------|--------------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------|--------------------------------------------|----------|--------------|-------|-----------------------------------------------------------------------|---|------|------|------|-------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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:<br>O                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                               | 8. Well Number<br>005H                                                                                                                                                                                                           |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| 2. Name of Operator<br>MARATHON OIL PERMIAN LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                               | 9. OGRID Number<br>372098                                                                                                                                                                                                        |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| 3. Address of Operator<br>5555 San Felipe St., Houston, TX 77056                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                               | 10. Pool name or Wildcat                                                                                                                                                                                                         |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| 4. Well Location<br>Unit Letter <u>D</u> : <u>343</u> feet from the <u>N</u> line and feet <u>1183</u> from the <u>W</u> line<br>Section <u>15</u> Township <u>24S</u> Range <u>34E</u> NMPM _____ County <u>Lea</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |                                                                                                                                                                                                                                  |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3521 GR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                                                                  |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                               |                                                                                                                                                                                                                                  |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data<br><table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Perforations/Tubing</u> <input checked="" type="checkbox"/></td> </tr> </table> |                                                                                                                                                                               |                                                                                                                                                                                                                                  | NOTICE OF INTENTION TO:                     |                              | SUBSEQUENT REPORT OF:       |                                             | PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> |          | Other: _____ |       | Other: <u>Perforations/Tubing</u> <input checked="" type="checkbox"/> |   |      |      |      |       |
| NOTICE OF INTENTION TO:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                               | SUBSEQUENT REPORT OF:                                                                                                                                                                                                            |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| PERFORM REMEDIAL WORK <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | PLUG AND ABANDON <input type="checkbox"/>                                                                                                                                     | REMEDIAL WORK <input type="checkbox"/>                                                                                                                                                                                           | ALTER CASING <input type="checkbox"/>       |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| TEMPORARILY ABANDON <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | CHANGE OF PLANS <input type="checkbox"/>                                                                                                                                      | COMMENCE DRILLING OPNS. <input type="checkbox"/>                                                                                                                                                                                 | PLUG AND ABANDON <input type="checkbox"/>   |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| PULL OR ALTER CASING <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | MULTIPLE COMPL <input type="checkbox"/>                                                                                                                                       | CASING/CEMENT JOB <input type="checkbox"/>                                                                                                                                                                                       |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| Other: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               | Other: <u>Perforations/Tubing</u> <input checked="" type="checkbox"/>                                                                                                                                                            |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.<br>Started Frac Prep operations on 07/22/18. Completed well with hydraulic fracturing treatment and Plug and Perf operations. Total interval from 12,304' - 16,568', for a total of 810 shots. Turn well to flowback on 08/27/18. Marathon Oil Permian LLC requests a tubing exception for this well.                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               |                                                                                                                                                                                                                                  |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| <p style="text-align: center;"><b>Perforations</b></p> <table style="width:100%;"> <tr> <th>TOP</th> <th>BOT</th> <th>Open Hole</th> <th>Shots/ft</th> <th>Shot Size</th> <th>Material</th> <th>Stimulation</th> <th>Amount</th> </tr> <tr> <td>12304</td> <td>16568</td> <td>Y</td> <td>6</td> <td>0.36</td> <td>Sand</td> <td>Frac</td> <td>10849440</td> </tr> <tr> <td>12304</td> <td>16568</td> <td>Y</td> <td>6</td> <td>0.36</td> <td>Sand</td> <td>Acid</td> <td>16947</td> </tr> </table> <p style="text-align: center;"><b>Tubing</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                               |                                                                                                                                                                                                                                  | TOP                                         | BOT                          | Open Hole                   | Shots/ft                                    | Shot Size                                      | Material                                  | Stimulation                            | Amount                                | 12304                                        | 16568                                    | Y                                                | 6                                         | 0.36                                          | Sand                                    | Frac                                       | 10849440 | 12304        | 16568 | Y                                                                     | 6 | 0.36 | Sand | Acid | 16947 |
| TOP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | BOT                                                                                                                                                                           | Open Hole                                                                                                                                                                                                                        | Shots/ft                                    | Shot Size                    | Material                    | Stimulation                                 | Amount                                         |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| 12304                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 16568                                                                                                                                                                         | Y                                                                                                                                                                                                                                | 6                                           | 0.36                         | Sand                        | Frac                                        | 10849440                                       |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| 12304                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 16568                                                                                                                                                                         | Y                                                                                                                                                                                                                                | 6                                           | 0.36                         | Sand                        | Acid                                        | 16947                                          |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                               |                                                                                                                                                                                                                                  |                                             |                              |                             |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| <table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>Regulatory Compliance Representative</u></td> <td>DATE</td> <td><u>9/11/2018</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Melissa Szudera</u></td> <td>E-mail address</td> <td><u>mszudera@marathonoil.com</u></td> <td>Telephone No.</td> <td><u>701-260-7272</u></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                               |                                                                                                                                                                                                                                  | SIGNATURE                                   | <u>Electronically Signed</u> | TITLE                       | <u>Regulatory Compliance Representative</u> | DATE                                           | <u>9/11/2018</u>                          | Type or print name                     | <u>Melissa Szudera</u>                | E-mail address                               | <u>mszudera@marathonoil.com</u>          | Telephone No.                                    | <u>701-260-7272</u>                       |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| SIGNATURE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <u>Electronically Signed</u>                                                                                                                                                  | TITLE                                                                                                                                                                                                                            | <u>Regulatory Compliance Representative</u> | DATE                         | <u>9/11/2018</u>            |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| Type or print name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <u>Melissa Szudera</u>                                                                                                                                                        | E-mail address                                                                                                                                                                                                                   | <u>mszudera@marathonoil.com</u>             | Telephone No.                | <u>701-260-7272</u>         |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| <b>For State Use Only:</b><br><table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td><u>Paul F Kautz</u></td> <td>TITLE</td> <td><u>Geologist</u></td> <td>DATE</td> <td><u>9/12/2018 1:24:03 PM</u></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                                                                  | APPROVED BY:                                | <u>Paul F Kautz</u>          | TITLE                       | <u>Geologist</u>                            | DATE                                           | <u>9/12/2018 1:24:03 PM</u>               |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |
| APPROVED BY:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <u>Paul F Kautz</u>                                                                                                                                                           | TITLE                                                                                                                                                                                                                            | <u>Geologist</u>                            | DATE                         | <u>9/12/2018 1:24:03 PM</u> |                                             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |          |              |       |                                                                       |   |      |      |      |       |

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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**

Comments  
  
Permit 257024

**TUBING COMMENTS**

|                                                                                   |                          |
|-----------------------------------------------------------------------------------|--------------------------|
| Operator:<br>MARATHON OIL PERMIAN LLC<br>5555 San Felipe St.<br>Houston, TX 77056 | OGRID:<br>372098         |
|                                                                                   | Permit Number:<br>257024 |
|                                                                                   | Permit Type:<br>Tubing   |

**Comments**

|            |         |              |
|------------|---------|--------------|
| Created By | Comment | Comment Date |
|------------|---------|--------------|

There are no Comments for this Permit