<u>District I</u> 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**

Form C-101 August 1, 2011

Permit 264621

| APPLICATION FOR PERMIT TO DRILL, R | RE-ENTER, DEEPE | N, PLUGBACK | , OR ADD A ZONE |
|------------------------------------|-----------------|-------------|-----------------|
|------------------------------------|-----------------|-------------|-----------------|

| AFFLICATION FOR FEIGURE TO DIVILE, RE-ENTER, DEEFEN, FEOGDACK, OR ADD A ZONE | | | | | | |
|--|------------------|-----------------|--|--|--|--|
| Operator Name and Address | | 2. OGRID Number | | | | |
| MARATHON OIL PERMIAN LL | C | 372098 | | | | |
| 5555 San Felipe St. | 3. API Number | | | | | |
| Houston, TX 77056 | | 30-025-45792 | | | | |
| 4. Property Code | 5. Property Name | 6. Well No. | | | | |
| 322876 | BATTLE 34 AV FEE | 025H | | | | |
| | | | | | | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| В | 34 | 21S | 33E | В | 480 | N | 1525 | E | Lea |

8. Proposed Bottom Hole Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| Р | 34 | 21S | 33E | Р | 100 | S | 1254 | E | Lea |

9. Pool Information

| WC-025 G-06 S213326D;BONE SPRING | 97929 | |
|----------------------------------|-------|--|

Additional Well Information

| 11. Work Type | 12. Well Type | 13. Cable/Rotary | 14. Lease Type | 15. Ground Level Elevation |
|-----------------------|--------------------|--|----------------|-----------------------------------|
| New Well | OIL | | Private | 3696 |
| 16. Multiple | 17. Proposed Depth | 18. Formation | 19. Contractor | 20. Spud Date |
| N | 14411 | Bone Spring | | 4/30/2019 |
| 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 | 1560 | 1310 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 5100 | 1652 | 0 |
| Prod | 8.75 | 5.5 | 20 | 14411 | 2298 | 4800 |

Casing/Cement Program: Additional Comments

| 22 Proposed Playout Provention Program |
|--|

| Туре | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular | 5000 | 2500 | |
| Double Ram | 5000 | 5000 | |
| Pipe | 5000 | 5000 | |
| Blind | 5000 | 5000 | |

| 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 ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature: Printed Name: Electronically filed by Melissa Szudera | | OIL CONSERVATION DIVISION Approved By: Paul F Kautz | | | |
|---|---|--|--------------------|---------------|---------------------------|
| Printed Name: | Printed Name: Electronically filed by Melissa Szudera | | | Paul F Kautz | |
| Title: | Regulatory Compliance Representative | | Title: | Geologist | |
| Email Address: mszudera@marathonoil.com | | | Approved Date: | 4/1/2019 | Expiration Date: 4/1/2021 |
| Date: 3/27/2019 Phone: 701-260-7272 | | | Conditions of Appr | oval Attached | |

| Territoria II SELEN French Dr., Holden, MA BELLER Frence CSS 106-4 bit Fac CSS 106-4 bit Ballica II S. French Br., Anteria. 200 BSLS Frence CSS 206-2 bit Ballica II S. French Br., Anteria. 200 BSLS Frence CSS 206-2 bit Ballica II SELEN French Br., Anno. 104-4 bit Ballica II SELEN French Br., COSS 206-4 bit BBLS, S. B., French Br., COSS 206-4 bit BBLS, S. B., French Br., COSS 206-3 bit BBLS, S. B., Ballica III SELEN FRENCH BR., COSS 206-3 bit BBLS, S. B., Ballica III SELEN FRENCH BR., COSS 206-3 bit BBLS, S. B., Ballica III SELEN FRENCH BR., BR., BR., BR., BR., BR., BR., BR., | State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87305 | Form C-10 Revised August 1, 201 Submit one copy to appropriat District Offic AMENDED REPOR |
|---|---|---|
| | WELL LOCATION AND ACREAGE DEDICATION PLAT | |

| , | API Number | • | | 97929 | | WC-025 G-06 S213326D; BONE SPRING | | | | |
|--------------------|---------------|----------------|----------------|------------------------|-----------------------------------|--|-----------------------|------|---------------------|--|
| *Property Code | | | | | Property Name BATTLE 34 AV FEE | | | | *Will Number 25H | |
| 3720 | | | | MARAT | | Operator Name Elevation N OIL PERMIAN LLC 3696 | | | | |
| Contractor. | | Ø | | | "Surface L | ocation | Tomas Comment | | | |
| Ut. or let m. B | 34 | Tevelip 21S | 33E | Let bile | Feet from the 480 | NORTH | 1525 | EAST | LEA | |
| | | | " Bott | tom Hole | Location If I | Different From | Surface | | | |
| Ut. or lat no. | Scotion 34 | Tevelip 21S | 33E | Lot life | Feet from the 100 | SOUTH | Feet from the 1254 | EAST | LEA | |
| Delicant to | a Pales o | rhite "4 | nesolidation C | ide ¹⁰ Orde | r No. | | | | | |

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

| 100 00 00 00 00 00 00 00 00 00 00 00 00 | 0 1204 | M EAST HAD 27, SPC3 RM EAST A - 1: 718017.60 / 7: 525545.60 A - 1: 718017.60 / 7: 525545.60 A - 1: 718017.60 A - 1: 525545.60 | "OPERATOR CERTIFICATION John of the dispersion considerable in the analysis of the John of the dispersion considerable in the configuration of the host of you boundary and while, and that the expensions or other owners are desired assert assert as the first hindred dispersion that when between the host way for the host way for the first the first the host and presented as a sensor as the content of an observed are not between the content of the host and th |
|--|-------------------|--|--|
| SHL SHL | 1526 1526 | SURFACE HOLE LOCATION 489 FIN. 1929 FEL. SECTION 34 NAVI 49, 970 SIM EAST LATER AND SIM PLAST LATER AND SIM PLAST AND SIM PLAST SIM | 3/5/2019 Superior Street Adrian Covarrubises Trained Frame |
| | ECTA E | HEN OFF FORM: 100 FM: 120 FE, 50C TION 34 MID: 120 FM; 50C TION 34 MID: 120 FM; 120 LM EXTERNAL OF TION 100 FM; LAT32 4C234469 V, OH: 100 ASSMIREW MID: 120 FM; 120 FM; 120 FM; EXTERNAL OFF (1702544, OFF LAT32 44216059 V, IOC: 100 35530067W | *SURVEYOR CERTIFICATION Theorby cough that the well houston diamon on this plot was placed from field notes of securit surveys. |
| LAST TAKE/ BHL | 1254 7216 F336 | PRINT TANKS PRINT 100 FRIL 1350 FRIL SECTION DE NADE NI, SPCE NIM BENT 2 781988 AF L'INGERON IN LATEZ 44224440V L'ON-100, 56554952W NORTH SECTION DE L'INGERT NORTH SECTION DE L'INGERT NORTH SECTION DE L'INGERT NORTH SECTION DE L'INGERT NORTH NORTH SECTION DE L'INGERT NORTH NOR | made by me or under my supervision, and that the same is time and correct in the best of my behal. JANJAKY 23, 2819 Superior and Seal of Probational Servicing of MEA |
| SHEET 1 OF 3 JOB No. R3784 OH REV 1 JCS 144324 | E 1228 R338 | LAST TAKE POINTIBOTTOW ROLE LOCATION INFO TAKE POINTIBOTTOW ROLE LOCATION INFO TAKE THE LAST EXPOSED OF TAKE TO THE LOCATION LATER AND TAKE THE LOCATION INFO TAKE THE LOCATION LATER AND TAKE THE LOCATION LATER AN | Lby P. Story 21653 CM 95 |

Form APD Comments

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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**

PERMIT COMMENTS

| Operator Name and Address: | API Number: |
|-----------------------------------|------------------------|
| MARATHON OIL PERMIAN LLC [372098] | 30-025-45792 |
| 5555 San Felipe St. | Well: |
| Houston, TX 77056 | BATTLE 34 AV FEE #025H |

| Created By | Comment | Comment Date |
|--------------|--|--------------|
| acovarrubias | C-102, GCP, Directional, and Horizontal Rule Information will be sent via email. | 3/7/2019 |
| pkautz | R-111-p area sent letter to BLM & SLO | 3/27/2019 |

Permit 264621

Form APD Conditions

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Permit 264621

PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number: |
|-----------------------------------|------------------------|
| MARATHON OIL PERMIAN LLC [372098] | 30-025-45792 |
| 5555 San Felipe St. | Well: |
| Houston, TX 77056 | BATTLE 34 AV FEE #025H |

| 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 | 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 | 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 | It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD. |
| pkautz | Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 5753703186 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 | Potash Area - Three String Casing Program - In accordance with R-111-P all strings shall be cemented to surface. Salt Protection String - If the cement fails to reach the surface or the bottom of the cellar, where required, the top of the cement shall be located by a temperature or other survey and additional cementing shall be done until the cement is brought to the surface. |