

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
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 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised July 18, 2013

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| 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.) | | WELL API NO. 30-015-42733 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator MARATHON OIL PERMIAN, LLC | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 5555 SAN FELIPE STREET HOUSTON, TX 77056 | | 7. Lease Name or Unit Agreement Name CASS 16 STATE |
| 4. Well Location Unit Letter H : 1650 feet from the NORTH line and 240 feet from the EAST line Section 17 Township 23S Range 27E NMPM County EDDY | | 8. Well Number 2H |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) | | 9. OGRID Number 372098 |
| <div style="text-align: center;">RECEIVED</div> | | 10. Pool name or Wildcat PURPLE SAGE; WOLFCAMP (GAS) |

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

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| NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: EXTEND PERMIT <input type="checkbox"/> | | SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

MARATHON OIL PERMIAN, LLC RESPECTFULLY REQUESTS TO CHANGE THIS CASING DESIGN FROM 3 CASING STRINGS TO 3 CASINGS STRINGS PLUS A PRODUCTION LINER TO ENSURE WELL DESIGN ALLOWS US TO REACH WOLFCAMP TARGET IN A SAFE MANNER.
 SEE ATTACHMENTS FOR PRIOR APPROVED CASING AND CEMENT PROGRAM AND THE PROPOSED CASING AND CEMENT PRORAM ALONG WITH REASONING FOR THE CHANGE.

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  TITLE REGULATORY COMPLIANCE REP DATE JULY 18, 2017

Type or print name MELISSA SZUDERA E-mail address: MSZUDERA@MARATHONOIL.COM PHONE: 701-260-7272

APPROVED BY:  TITLE Geology 13+ DATE 7-19-17
 Conditions of Approval (if any):

Well Name: Cass 16 State 2H

API Number: 30-015-42733

Proposed Change: Drill well using three casing strings plus a production instead of three casing strings as per original permit.

Reason for change: Revised formation tops require some adjustments to surface and intermediate I casing points. In order to reach well objective in a safe manner, we will propose to set 7" production casing at the top of the Wolfcamp and drill 6 1/8" curve and lateral and run a production liner.

Current Well design:

Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|--------------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surface | 16" | 13 3/8" | 48# | 580' | 660 | 0' |
| Intermediate | 12 1/4" | 9 5/8" | 36# | 2650' | 850 | 0' |
| Production | 8 1/2" | 5 1/2" | 17# | 14,543' | 2700 | 2,500' |

Proposed Well design:

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|----------------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surface | 17 1/2" | 13 3/8" | 54.5 | 400' | 500 | 0' |
| Intermediate I | 12 1/4" | 9 5/8" | 40 | 1,960' | 700 | 0' |
| Production | 8 3/4" | 7" | 29 | 9,000' | 920 | 0' |
| Liner | 6 1/8" | 4 1/2" | 13.5 | 14,127' | 600 | 8,400' |