

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102
Revised August 1, 2011
ARTESIA DISTRICT
Submit one copy to appropriate District Office
NOV 17 2017
AMENDED REPORT
RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-44565	² Pool Code 15011	³ Pool Name CULEBRA BLUFF, SOUTH; BONE SPRING
⁴ Property Code 320062	⁵ Property Name MARINER FEE 23-28-20 TB	
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁶ Well Number 15H ⁹ Elevation 3075

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	20	T23S	R28E		233	SOUTH	1352	WEST	EDDY

¹⁰ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	20	T23S	R28E		330	NORTH	1650	WEST	EDDY

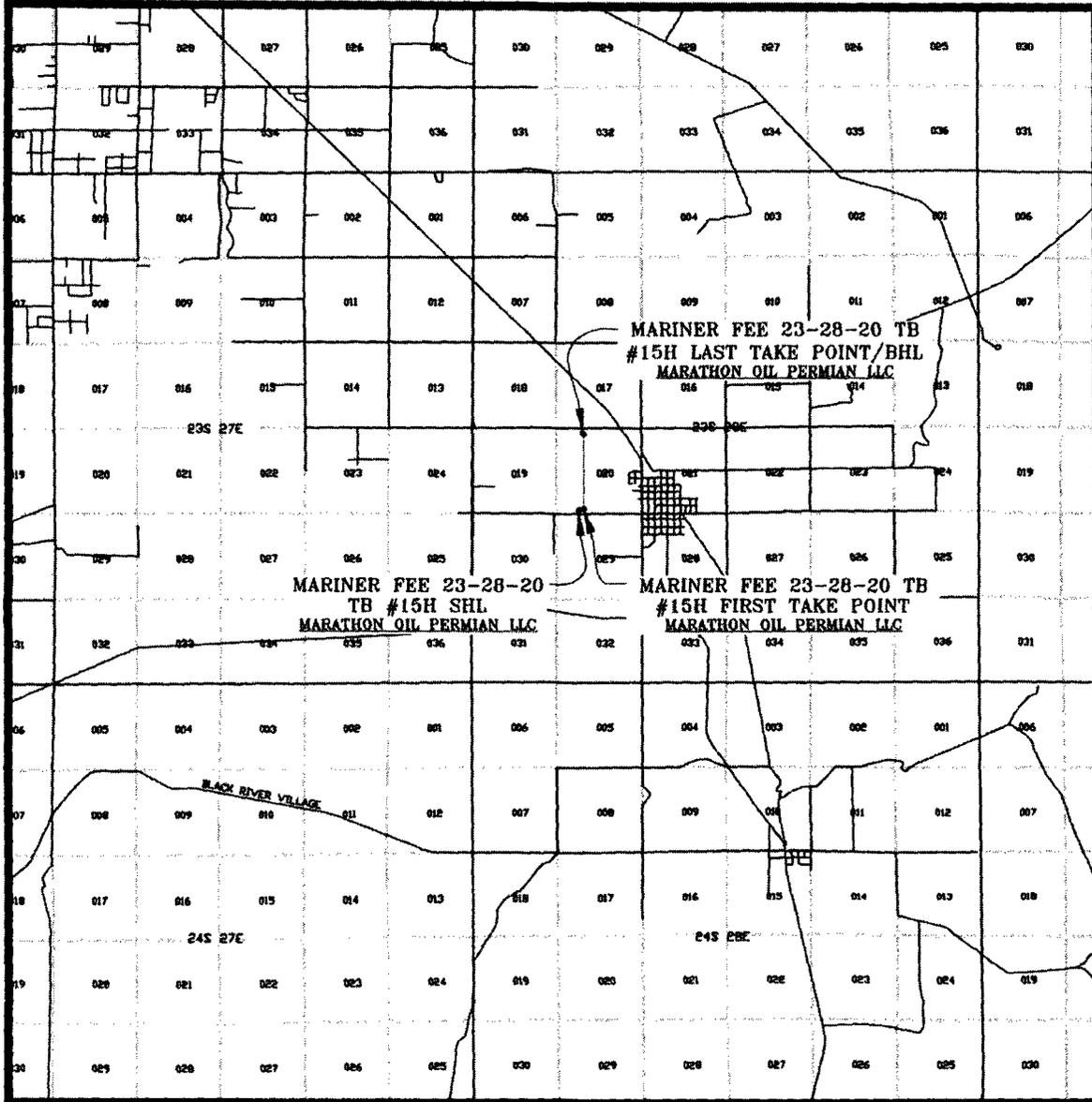
¹² Dedicated Acres 160.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p>				<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jennifer Van Curen</i> 11/14/17 Signature Date</p> <p>JENNIFER VAN CUREN Printed Name</p> <p>jvancuren@marathonoil.com E-mail Address</p>	
<p>LAST TAKE POINT/BOTTOM HOLE LOCATION 330' FNL 1650' FWL NAD 83, SPCS NM EAST X:609483.78' / Y:471883.03' LAT:32.29708732N / LON:104.11278420W NAD 27, SPCS NM EAST X:568961.45' / Y:471821.60' LAT:32.29695682N / LON:104.11015121W</p>				<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 01, 2017 Date of Survey</p> <p>LLOYD P. SHORT Signature and Seal of Professional Surveyor</p>	
<p>FIRST TAKE POINT 330' FSL 1654' FWL NAD 83, SPCS NM EAST X:609497.62' / Y:467201.87' LAT:32.28421942N / LON:104.11277065W NAD 27, SPCS NM EAST X:568979.37' / Y:467144.65' LAT:32.28410009N / LON:104.11012469W</p>				<p>LLOYD P. SHORT 21653 PROFESSIONAL SURVEYOR</p>	
<p>SURFACE HOLE LOCATION 233' FSL 1352' FWL NAD 83, SPCS NM EAST X:609194.98' / Y:467104.06' LAT:32.28395226N / LON:104.11375062W NAD 27, SPCS NM EAST X:568012.27' / Y:467045.09' LAT:32.28383187N / LON:104.11325476W</p>				<p>Certificate Number LLOYD P. SHORT 21653</p>	
<p>CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 472214.20' / X: 609152.80' B - Y: 472209.54' / X: 610472.79' C - Y: 466874.52' / X: 610493.37' D - Y: 466871.00' / X: 609168.60'</p>		<p>CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 472155.10' / X: 567970.21' B - Y: 472150.42' / X: 569290.18' C - Y: 466815.54' / X: 569310.63' D - Y: 466812.03' / X: 567985.88'</p>			

11-21-17

VICINITY MAP



SEC. 20 TWP. 23-S RGE. 28-E
SURVEY: N.M.P.M.
COUNTY: EDDY
DESCRIPTION: 233' FSL & 1352' FWL
ELEVATION: 3075'
OPERATOR: MARATHON OIL PERMIAN LLC
LEASE: MARINER FEE 23-28-20
U.S.G.S. TOPOGRAPHIC MAP: LOVING, N.M.

SCALE: 1" = 2 MILES

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-8900 OFFICE
JOB No. R3797_003

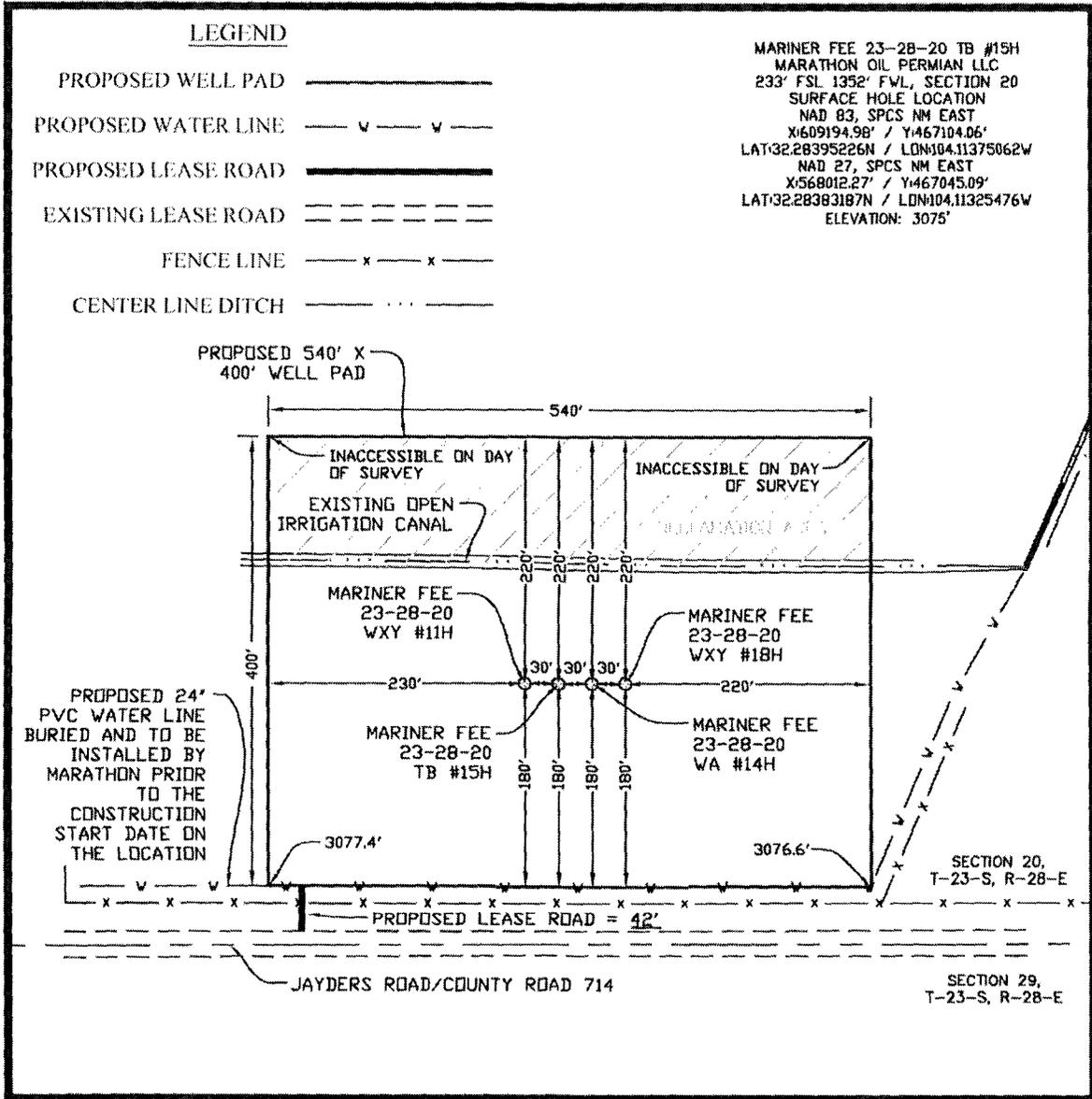
WELL PAD TOPO

SEC. 20 TWP. 23-S RGE. 28-E

SURVEY: N.M.P.M.

COUNTY: EDDY

U.S.G.S. TOPOGRAPHIC MAP: LOVING, N.M.



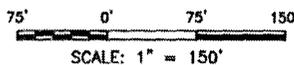
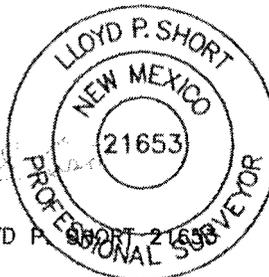
DIRECTIONS TO LOCATION:

FROM THE INTERSECTION OF U.S. HIGHWAY 62/WEST GREENE STREET AND U.S. 180 W./U.S. 62 W./S. CANAL STREET IN CARLSBAD, NEW MEXICO, TRAVEL SOUTH ON U.S. 62 W./S. CANAL STREET TOWARD W. TANSILL STREET FOR 2.0 MILES TO SLIGHT LEFT ONTO U.S.-285 SOUTH. TRAVEL SOUTH ON U.S.-285 SOUTH FOR 10.4 MILES TO JAYDERS ROAD/CO. RD. 730 ON THE RIGHT. TRAVEL WEST ON JAYDERS ROAD/CO. RD. 730 FOR 0.7 MILES TO PROPOSED WELLS 233 FEET ON THE RIGHT.

NOTE:

THIS IS NOT A BOUNDARY SURVEY, APPARENT PROPERTY CORNERS AND PROPERTY LINES ARE SHOWN FOR INFORMATION ONLY. BOUNDARY DATA SHOWN IS FROM STATE OF NEW MEXICO OIL CONSERVATION DIVISION FORM C-102 INCLUDED IN THIS SUBMITTAL.

NOVEMBER 01, 2017



LLOYD P. SHORT 21653

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-8900 OFFICE
 JOB No. R3797_003

EXISTING ACCESS ROAD VICINITY MAP

MARINER FEE 23-28-20 TB #15H

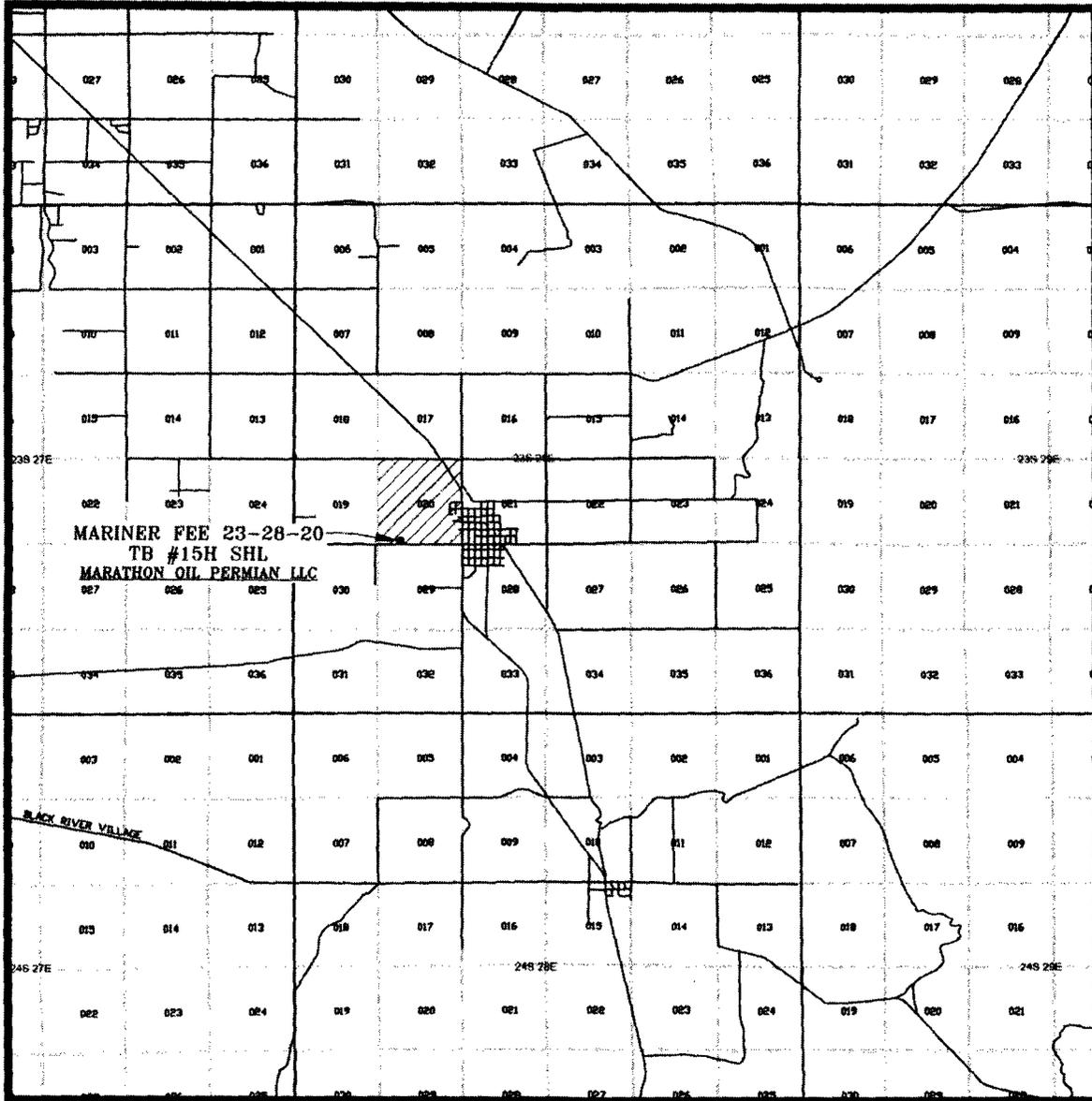
233' FSL & 1352' FWL

SEC. 20 TWP. 23-S RGE. 28-E

SURVEY: N.M.P.M.

COUNTY: EDDY

U.S.G.S. TOPOGRAPHIC MAP: LOVING, N.M.



SCALE: 1" = 2 MILES

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-6900 OFFICE
JOB No. R3797_003

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

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

NM OIL CONSERVATION
ARTESIA DISTRICT
NOV 17 2017

Date: _____

Original
 Amended - Reason for Amendment: _____

Operator & OGRID No.: 372098

RECEIVED

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Mariner FEE 23 28 20 WXY 11H		M-20-23-28	233FSL & 1322FWL	1500	FLARED	
Mariner FEE 23 28 20 WA 14H		M-20-23-28	233FSL & 1322FWL	1500	FLARED	
Mariner FEE 23 28 20 TB 15H		M-20-23-28	233FSL & 1322FWL	1000	FLARED	
Mariner FEE 23 28 20 WXY 18H		M-20-23-28	233FSL & 1322FWL	1500	FLARED	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Sendero Midstream and will be connected to low pressure gathering system located in Eddy County, New Mexico. It will require 1 mile of pipeline to connect the facility to low/high pressure gathering system. Marathon Oil Permian, LLC (MOP) provides (periodically) to Sendero drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, MOP and Sendero have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Sendero Processing Plant located in Sec.31, Twn.23, Rng.28, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on compressor/well/equipment system at that time. Based on current information, it is Marathon's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

25/17

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines