

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
 District III - (505) 334-6178
 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

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015- 35472 34572
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Hermes Fee
8. Well Number 1
9. OGRID Number 372098
10. Pool name or Wildcat Loving; Morrow North (Gas)

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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Marathon Oil Permian LLC

3. Address of Operator
5555 San Felipe St., Houston, TX 77056

4. Well Location
 Unit Letter H : 660 feet from the N line and 1980 feet from the E line
 Section 30 Township 23S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3102' KB

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

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

THIS WAS WORK PERFORMED BY NADEL AND GUSSMAN PERMIAN, LLC BUT NO SUBSEQUENT REPORT WAS FILED.

THIS FORM IS BEING SUBMITTED BY MARATHON OIL PERMIAN, LLC BECAUSE OUR NOI FOR P&A WAS DENIED DUE TO MISSING RECORDS.

12/02/2006 Set CIPB @ 12,050'. SPOT 35' CMT @ 12,015' - 12,050'
 12/10/2006 11,442' - 11,460', 6 JSPF, 108 HOLES. 2000 GALLONS 7.5% HCL ACID. W/ ADDITIVES.
 01/16/2007 RIH TAG "FILL" @ 11,915'

NM OIL CONSERVATION
 ARTESIA DISTRICT

OCT 31 2019

RECEIVED

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 Eric Bryan Digitally signed by Eric Bryan
Date: 2019.10.29 13:53:35 -05'00' TITLE PETROLEUM ENGINEER DATE 10/29/2019

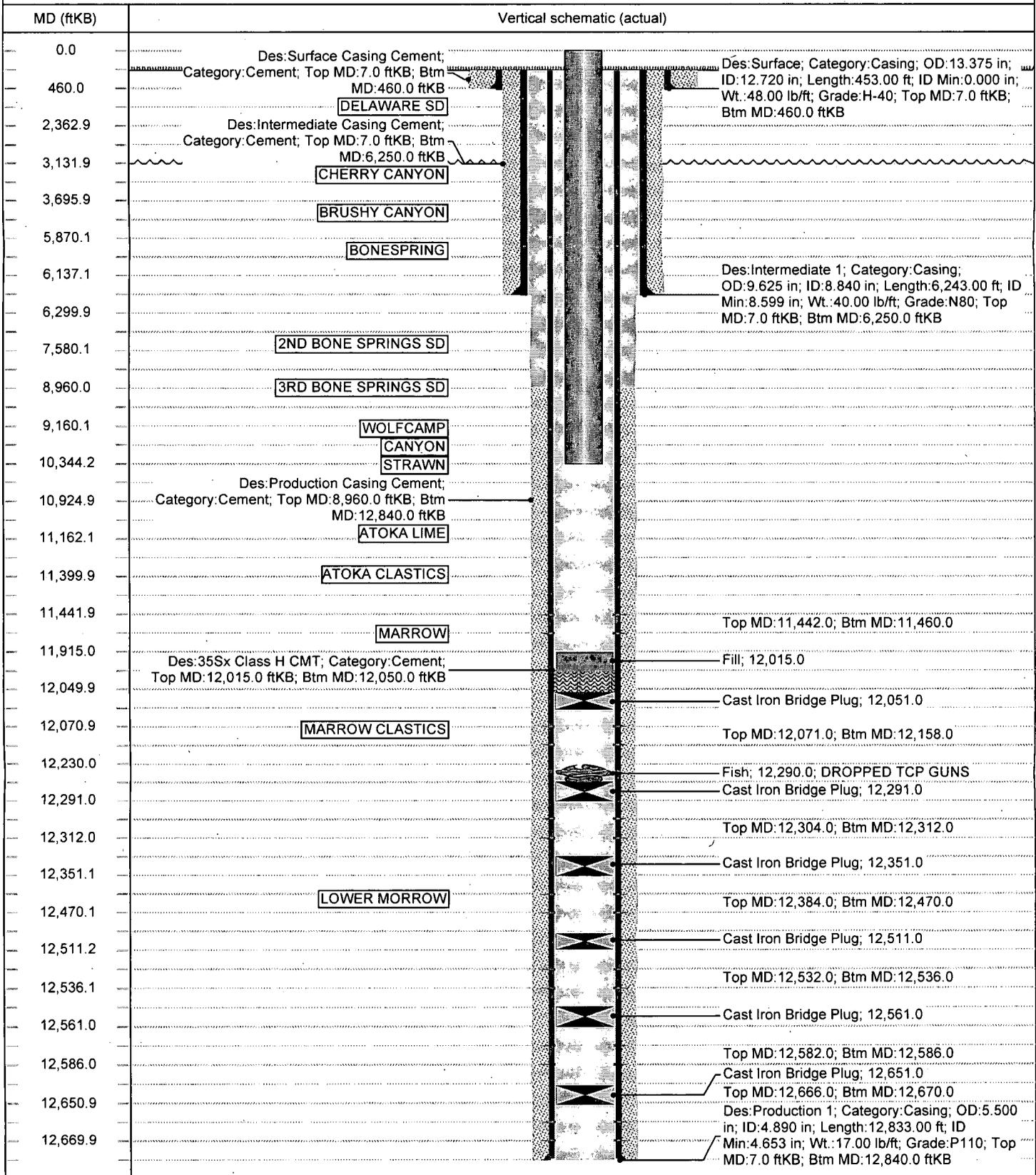
Type or print name ERIC BRYAN E-mail address: EBRYAN@MARATHONOIL.CO PHONE: 7132962918

For State Use Only

APPROVED BY: [Signature] TITLE Staff mg DATE 11/5/19
 Conditions of Approval (if any):

State/Province NEW MEXICO	Country UNITED STATES	Field Name LOVING NORTH	Latitude (°) 32.28152520	Longitude (°) -104.12341230	North/South Distance (ft) 660.0	North/South Reference FNL
API/ IPO UWI 3001534572	KB-Ground Distance (ft) 7.00	KB-Mud Line Distance (ft)	Ground Elevation (ft) 3,095.00	Drilling Rig Spud Date	Well Original Completion Date	Well First Production Date 5/3/2012

HERMES FEE 1, 10/29/2019 12:18:14 PM



NADDEL AND GUSSMAN PERMIAN, L.L.C.
NEW MEXICO
12/04/06
DAILY DRILLING REPORTS

28

Hermes Fee #1

Objective: Atoka/Morrow
Eddy County, New Mexico

Location: 660' FNL & 1,980' FEL

UL B Sec. 30 T23S & R28E

Projected TD: 12,800'

Permitted TD: 12,900'

APE DRY HOLE COST \$1,499,999

APE COMPLETED COST \$2,424,607

09/16/06 Sold 35 mcf. Flowing @ 0 mcf/d, 0 bo, 8 bw, 400 psi ftp and 400 psi lp. Comp running blew to tank and got plunger up and running.

Daily Cost: \$00

Cum Comp Cost: \$489,136

Cum Cost: \$2,627,418

09/17/06 Sold 72 mcf. Flowing @ 0 mcf/d, 0 bo, 6 bw, 10 psi ftp and 453 psi lp. Comp running blew to tank and got plunger up and running.

Daily Cost: \$00

Cum Comp Cost: \$489,136

Cum Cost: \$2,627,418

09/18/06 Sold 55 mcf. Flowing @ 0 mcf/d, 0 bo, 3 bw, 10 psi ftp and 416 psi lp. Comp running blew to tank and got plunger up and running.

Daily Cost: \$00

Cum Comp Cost: \$489,136

Cum Cost: \$2,627,418

12/01/06 Bleed well dwn, sicp 900 psi, pump dwn tbg w/ 30 bbls 3% KCL w/ma to kill, pump dwn bs w/ 130 bbls 3% KCL/ma to kill. ND tree, nu bop. TOH w/160 stds. SWIFN.

Daily Cost: \$5600

Cum Comp Cost: \$494,736

Cum Cost: \$2,633,018

12/02/06 Finish TOH w/ 33 std, total 193 std, wrg, sn. MIRU Enertech, PU & RIH w/ 5 1/2" cibp, correlate to cbl log dated 05/04/2006, set cibp @ 12050' cap w/ 35" cmt, make 2 dump baler runs, new PBD 12015' POH, RDMO Enertech, TIH w/ 190 std's, 11856', will circ in am, swi, SDFN

Daily Cost: \$14,000

Cum Comp Cost: \$508,736

Cum Cost: \$2,647,018

12/03/06 Circ hole w/ 280 bbls 3% KCL w/ma, @ 11856'. TOH ld 24 jts, std 181 stds. SWIFN

Daily Cost: \$4,000

Cum Comp Cost: \$512,736

Cum Cost: \$2,651,018

12/04/06 No activity.

Daily Cost: \$000

Cum Comp Cost: \$512,736

Cum Cost: \$2,651,018

The information in this report is proprietary, confidential and not for public dissemination. This information may not be shared with unauthorized persons without the written consent of Nadel and Gussman Permian, LLC.

DEL AND GUSSMAN PERMIAN, L₃C
NEW MEXICO
12/11/06
DAILY DRILLING REPORTS

29

Hermes Fee #1

Location: 660' FNL & 1,980' FEL

UL B Sec. 30 T23S & R28E

Projected TD: 12,800'

AFE DRY HOLE COST \$1,499,999

Objective: Atoka/Morrow

Eddy County, New Mexico

Permitted TD: 12,900'

AFE COMPLETED COST \$2,424,607

12/05/06 Ck press o psi, PU & tih w/ prop, 18' TCP gun to perf interval 11,442' to 11,460', 60 deg phasing, 6 spf 108 holes, mech F.H. w/auto rel, 1 jt tbg, pub sub, 1jt tbg, 2.25 rn w/ 2.197 ng, 10' sub, 2.25 fn, 10' sub, Baker Hornet 10K pkr set @ 10,344' w/6 pts comp, 2.25 F.H. fn in on-off tool, 2 jts tbg, 6' loc sub, 360 jts, 2' sub, 1 jt. MIRU Enertech run spot log, correlate w/ HES ohl, space out. ND bop, run conformation log, ok. POH RDMO Enertech. Replace tbg hanger seal, nu tree, test 5000 psi, test csg to 500 psi, ru to manifold, ru to drop bar, drop bar, press to 270 psi @ 4 pm, SWIFN

Daily Cost: \$40,000

Cum Comp Cost: \$552,736

Cum Cost: \$2,691,018

12/06/06 Sitp 2825 psi, sicp 0 psi. Opened well and bled down. Final rate 86 mcf/d. SWIFN

Daily Cost: \$3,000

Cum Comp Cost: \$555,736

Cum Cost: \$2,694,018

12/07/06 Sitp 3150 psi, sicp 0 psi. Bleed well dwn on 16/ 64 choke, then let stabilize on 12/64th choke. Stabilize @ 150 psi, 133 mcf/d rate, leave w/ tester over night.

Daily Cost: \$4,000

Cum Comp Cost: \$559,736

Cum Cost: \$2,698,018

12/08/06 Sitp 370 psi, bleed well dwn. MIRU Stinger, Cudd, to acidize perf interval 11,442' to 11,460' w/ 2 Mgals 7 1/2% HCL w/ additives, 216 RCNBS spread out evenly in acid, flush w/ 3% KCL w/ma. HSM, ttls to 10,000 psi, start acid w/bs, start flush, tbg ld @ 64 bbls, bd @ 4168 psi 1.7 bpm. AOF inc rate, 5328 psi @ 4.8, fair ball action, several little brks, balls swapping holes. ISIP 4265 psi, 5-min 4246 psi, 10-min 4173 psi, 15-min 4108 psi. Mstp 5545 psi, astp 5480 psi, mstr 5 bpm, astr 4.7 bpm, LTR 116 bbls. RDMO Stinger, Cudd, open to manifold, sitp 3850 psi flow back 14 bbls, ru swab, made 4 runs recovered 24 bbls. Well started kicking, flowed 26 bbls back, total recovered 64 bbls, gas dried up, will burn, to strong to swab, put well on 18/64th choke up from 40 psi to 100 psi 189 mcf/d rate, leave well w tester. Daily rec 64 bbls, cum rec 64 bbls, ltr 52 bbls

Daily Cost: \$16,500

Cum Comp Cost: \$576,236

Cum Cost: \$2,714,518

12/09/06 Flow well dwn, made 2 swab runs recovered 20 bbls, made 2 dry runs, press well between each runs, 12/64 choke 230 psi in 1 hr, leave well on 8/64 w/ tester

Daily Cost: \$4,000

Cum Comp Cost: \$580,236

Cum Cost: \$2,718,518

12/10/06 FTP 2390 psi, on 8/64th choke rate 829 mcf/d, open on various chokes to bleed well dwn, ru swab, made 1 run, dry run, ru to sales line, start selling gas, 530 psi 256 rate, leave well w/ tester.

Daily Cost: \$3,000

Cum Comp Cost: \$583,236

Cum Cost: \$2,722,518

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DEL AND GUSSMAN PERMIAN, LLC
NEW MEXICO
01/22/07
DAILY DRILLING REPORTS

33

Hermes Fee #1

Location: 660' FNL & 1,980' FEL

UL B Sec. 30 T23S & R28E

Projected TD: 12,800'

AFE DRY HOLE COST \$1,499,999

Objective: Atoka/Morrow
Eddy County, New Mexico

Permitted TD: 12,900'

AFE COMPLETED COST \$2,424,607

01/14/07 Well flowing on a 14/64 choke @ 2200 psi ftp, 2455 mcf/d, 0 bopd, 24 bwpd. Daily rec 24 bbls, cum rec 24 bbls LTR 231 bbls.

Daily Cost: \$2,000

Cum Comp Cost: \$734,236

Cum Cost: \$2,876,518

01/15/07 Well flowing on a 24/64 choke @ 124 psi ftp 421 mcf/d, 0 bopd, 47 bwpd 30% CO₂. Daily rec 47 bbls, cum rec 71 bbls, LTR 184 bbls.

Daily Cost: \$2,000

Cum Comp Cost: \$736,236

Cum Cost: \$2,878,518

01/16/07 Well flowing on a 48/64 choke @ 30 psi ftp 431 mcf/d, 0 bopd, 7 bwpd 18% CO₂. SWI for two hrs. MIRU Precision SL, tag @ 11,402' work 3 times, knockout bridge, increase tbg press to 400 psi. RIH to 11,915' tag fill, POH, work @ 11,402' 1 more time. Finish POH, RDMO Precision SL, ru manifold, open well 800 psi sitp. Well flowed down to w/o choke 48/64th in 2 ½ hrs 10 psi, 144 mcf rate Leave well w/ tester. Daily rec 7 bbls, cum rec 78 bbls, LTR 177 bbls.

Daily Cost: \$3,000

Cum Comp Cost: \$739,236

Cum Cost: \$2,881,518

01/17/07 Well flowing 20% CO₂, SWI for two hrs, MIRU Precision SL, did not tag fluid or fill in tbg. PBTD same as yesterday's @ 11,915'. RDMO Precision SL, open well 710 psi, well bled down to 10 psi 48 choke w/o 144 mcf rate, leave w/tester. Daily rec 3 bbls, cum rec 81 bbls, LTR 174 bbls.

Daily Cost: \$3,000

Cum Comp Cost: \$742,236

Cum Cost: \$2,884,518

01/18/07 Flowing on a 48/64 choke @ 120 psi ftp, 700 mcf/d avg rate, 0 bopd, 0 bwpd. Daily rec 0 bbls, cum rec 81 bbls, LTR 174 bbls.

Daily Cost: \$2,000

Cum Comp Cost: \$744,236

Cum Cost: \$2,886,518

01/19/07 Flowing on a 48/64 choke @ 10 to 140 psi ftp, 490 mcf/d avg rate, 0 bopd, 0 bwpd. Daily rec 0 bbls, cum rec 81 bbls, LTR 174 bbls.

Daily Cost: \$2,000

Cum Comp Cost: \$746,236

Cum Cost: \$2,888,518

01/20/07 Flowing on a 24/64 choke @ 30 psi ftp, 102 mcf/d avg rate, 0 bopd, 0 bwpd. CO₂ 15%. Daily rec 0 bbls, cum rec 81 bbls, LTR 174 bbls.

Daily Cost: \$2,000

Cum Comp Cost: \$748,236

Cum Cost: \$2,890,518

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