Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
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
May 27, 2004

WELL API NO.	30-025-37488
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil & Gas Lease No.	6442
7. Lease Name or Unit Agreement Name:	J L MUNCY
8. Well Number	14
9. OGRID Number	14021
10. Pool name or Wildcat	PADDOCK

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 Company

3. Address of Operator: P.O. Box 3128 HOUSTON, TX 77253

4. Well Location

Unit Letter N : 660 feet from the SOUTH line and 1980 feet from the WEST line

Section 24 Township 22S Range 37E NMPM County LEA

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3312

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☒	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			OTHER:			☐

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.

During the drilling of this well, a salt water water flow was encountered. Because of this, the cement design of the production casing has changed. On February 8, 2006, Mr. Paul Kautz was contacted and an alternate cementing program was discussed and agreed upon. Attached please find a write-up of the cement design that was agreed upon.

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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐**

SIGNATURE Frank M Krugh TITLE REGULATORY COMPL. REP. III DATE 02/09/2006

E-mail address: fmkrugh@marathonoil.com

Type or print name FRANK M. KRUGH Telephone No. 713-296-3546

For State Use Only

APPROVED BY _____ TITLE PETROLEUM ENGINEER DATE FEB 13 2006

Conditions of Approval, if any:

J.L. Muncy No. 14 Lea County, New Mexico

1. Install floating equipment and run casing to bottom.
2. Circulate bottoms up 3 times.
3. Pump 20 bbls of fresh water.
4. Mix and pump 50 sacks (36 bbls.) of salt saturated scavenger cement.
5. Mix and pump 370 sacks (166 bbls.) of lead cement.
6. Mix and pump 830 sacks of tail cement slurry.
7. Wash out pumps and lines.
8. Drop 5 wiper cementing plug.
9. Pump 800 gallons of 10% Organic acid.
10. Pump +/- 109 bbls. of fresh water to bump plug.
11. Wait on cement for four hours.
12. Pressure up on casing to 1000 psi.
13. Rig up to pump down annulus 8-5/8" X 5-1/2" casing.
14. Establish injection rate and pressure. Estimated injection 1000 psi at 3 bpm.
15. Pump 2000 gallons of fresh water with ¼ lbs./gal. Diamond Seal.
16. Mix and pump 200 sacks (47 bbls.) of Premium Plus Cement.
17. Mix and pump 600 sacks (269 bbls) of Interfill C.
18. Pump two bbls. of fresh water.
19. Shut in .