

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

Form C-103  
 May 27, 2004

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

WELL API NO.  
**Multiple (see attach)**

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
**A-3071**

**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 3487 Houston, TX 77253-3487**

4. Well Location  
 Unit Letter \_\_\_\_\_ feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_ line  
 Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_ NMPM \_\_\_\_\_ County \_\_\_\_\_

7. Lease Name or Unit Agreement Name:  
**Hansen State**

8. Well Number  
**Multiple**

9. OGRID Number  
**14021**

10. Pool name or Wildcat  
**Multiple (See attachment)**

11. Elevation (Show whether DR, RKB, RT, GR, etc.) \_\_\_\_\_

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <b>Surface Comingle</b> <input checked="" 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Marathon Oil Company is seeking permission to surface commingle production from three pools at our Hansen State battery. The oil at this battery was reclassified by our purchaser, Chevron Texaco, and transporter, Plains Marketing, on 01/01/2005 as sour crude. Therefore price per barrel will not be affected by adding Grayburg San Andres sour production to the battery, and value of remaining reserves will not be affected. This request is being sent in order to enable Marathon to produce the inactive Hansen State No. 8 in a new Grayburg San Andres completion. Please see the accompanying attachments for details of lease and wells, and production rates involved in this commingling process.

**PC-1157**

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 Charles E. Kendrick TITLE Engineering Technician DATE 11/16/2005  
 E-mail address: cekendris@marathonoil.com  
 Type or print name Charles E. Kendrick Telephone No. 713-296-2096

**For State Use Only**  
 APPROVED BY Will Jones TITLE Engineer DATE 11/30/05  
 Conditions of Approval, if any: