

| <b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br>Phone:(575) 393-6161 Fax:(575) 393-0720<br><b>District II</b><br>811 S. First St., Artesia, NM 88210<br>Phone:(575) 748-1283 Fax:(575) 748-9720<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br>Phone:(505) 334-6178 Fax:(505) 334-6170<br><b>District IV</b><br>1220 S. St Francis Dr., Santa Fe, NM 87505<br>Phone:(505) 476-3470 Fax:(505) 476-3462   | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><b>Oil Conservation Division</b><br><b>1220 S. St Francis Dr.</b><br><b>Santa Fe, NM 87505</b> | Form C-103<br>August 1, 2011<br>Permit 255265<br>WELL API NUMBER<br>30-025-44165<br>5. Indicate Type of Lease<br>P<br>6. State Oil & Gas Lease No.<br><br>7. Lease Name or Unit Agreement Name<br>DEE BOOT FEE 24 34 26 TB |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
|--|---|--|---|------------------------------|------------------------------|---|--|---|--|---------------------------------------|--|--|--|---|---|---|--|-----------|--------------|------|---|------|--------|------|-----|---|------|------|------|---|--|------|---|---|----------|------|-------|-------|-------|----|-----|---|------|------|------|---|--|------|----|---|----------|------|----------|------|---|----|--------|---|-------|-----|------|------------|--|------|-----|---|----------|--------|-------------|-------|-----|------|--------|-------|-------|-----|------|---|--|------|---|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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:<br>O  |   | 8. Well Number<br>007H   |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 2. Name of Operator<br>MARATHON OIL PERMIAN LLC  |   | 9. OGRID Number<br>372098  |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 3. Address of Operator<br>5555 San Felipe St., Houston, TX 77056   |   | 10. Pool name or Wildcat   |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 4. Well Location<br>Unit Letter <u>A</u> : <u>271</u> feet from the <u>N</u> line and feet <u>1145</u> from the <u>E</u> line<br>Section <u>26</u> Township <u>24S</u> Range <u>34E</u> NMPM _____ County <u>Lea</u>   |   |  |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3446 GR   |   |  |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____  |   |  |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data<br><table style="width:100%;"> <tr> <td colspan="2" style="text-align: center;">NOTICE OF INTENTION TO:</td> <td colspan="2" style="text-align: center;">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table>  |   |  | NOTICE OF INTENTION TO:                     |                              | SUBSEQUENT REPORT OF:        |   | PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> |           | Other: _____ |      | Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/> |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| NOTICE OF INTENTION TO:  |   | SUBSEQUENT REPORT OF:  |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| PERFORM REMEDIAL WORK <input type="checkbox"/>   | PLUG AND ABANDON <input type="checkbox"/>   | REMEDIAL WORK <input type="checkbox"/>   | ALTER CASING <input type="checkbox"/>       |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE OF PLANS <input type="checkbox"/>  | COMMENCE DRILLING OPNS. <input type="checkbox"/>   | PLUG AND ABANDON <input type="checkbox"/>   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>   |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| Other: _____   |   | Other: <u>Drilling/Cement</u> <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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.<br>MIRU, Spud 4/1/2018. Drill 17.5" hole to 1052', run 13 5/8" csg, cement csg, NU BOP, pressure test annular (250/2500), rams, and blind rams (250/5000). Pressure test csg to 1500 psi for 30 min, held, test good. Drill 12 1/4" hole to 5543', run 9 5/8" csg, cement csg, pressure tests csg to 1500 psi for 30 min, 97 psi drop, test good. Drill 8 3/4" hole to 11674', run 7" csg, cement csg, pressure test csg to 4159 psi for 30 min, 187 psi drop, test good. Drill 6 1/8" hole to 17280', run 4 1/2" csg, cement csg, pressure test to 4628 psi for 30 min, held, test good. PU equipment, RDMO 7/20/2018 <u>4/1/2018</u> Spudded well.  |   |  |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| <b>Casing and Cement Program</b><br><table border="1" style="width:100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>04/05/18</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J55</td> <td>0</td> <td>1052</td> <td>1170</td> <td>1.33</td> <td>C</td> <td></td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>05/23/18</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>J55</td> <td>0</td> <td>5528</td> <td>1797</td> <td>1.73</td> <td>C</td> <td></td> <td>1403</td> <td>97</td> <td>N</td> </tr> <tr> <td>05/28/18</td> <td>Prod</td> <td>CutBrine</td> <td>8.75</td> <td>7</td> <td>29</td> <td>P110IC</td> <td>0</td> <td>11664</td> <td>902</td> <td>2.94</td> <td>TXI Lightw</td> <td></td> <td>3972</td> <td>187</td> <td>N</td> </tr> <tr> <td>07/19/18</td> <td>Liner1</td> <td>OilBasedMud</td> <td>6.125</td> <td>4.5</td> <td>13.5</td> <td>P110IC</td> <td>11299</td> <td>17270</td> <td>600</td> <td>1.18</td> <td>G</td> <td></td> <td>4628</td> <td>0</td> <td>N</td> </tr> </tbody> </table> |   |  | Date  | String                       | Fluid Type                   | Hole Size                                   | Csg Size                                       | Weight lb/ft                              | Grade                                  | Est TOC                               | Dpth Set                                     | Sacks                                    | Yield  | Class                                     | 1" Dpth                                       | Pres Held                               | Pres Drop                                  | Open Hole | 04/05/18     | Surf | FreshWater  | 17.5 | 13.375 | 54.5 | J55 | 0 | 1052 | 1170 | 1.33 | C |  | 1500 | 0 | N | 05/23/18 | Int1 | Brine | 12.25 | 9.625 | 40 | J55 | 0 | 5528 | 1797 | 1.73 | C |  | 1403 | 97 | N | 05/28/18 | Prod | CutBrine | 8.75 | 7 | 29 | P110IC | 0 | 11664 | 902 | 2.94 | TXI Lightw |  | 3972 | 187 | N | 07/19/18 | Liner1 | OilBasedMud | 6.125 | 4.5 | 13.5 | P110IC | 11299 | 17270 | 600 | 1.18 | G |  | 4628 | 0 | N |
| Date   | String  | Fluid Type   | Hole Size                                   | Csg Size                     | Weight lb/ft                 | Grade                                       | Est TOC  | Dpth Set                                  | Sacks                                  | Yield                                 | Class  | 1" Dpth                                  | Pres Held  | Pres Drop                                 | Open Hole                                     |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 04/05/18   | Surf  | FreshWater   | 17.5  | 13.375                       | 54.5                         | J55   | 0  | 1052                                      | 1170                                   | 1.33                                  | C  |  | 1500   | 0   | N   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 05/23/18   | Int1  | Brine  | 12.25                                       | 9.625                        | 40                           | J55   | 0  | 5528                                      | 1797                                   | 1.73                                  | C  |  | 1403   | 97  | N   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 05/28/18   | Prod  | CutBrine   | 8.75  | 7                            | 29                           | P110IC                                      | 0  | 11664                                     | 902                                    | 2.94                                  | TXI Lightw                                   |  | 3972   | 187                                       | N   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 07/19/18   | Liner1  | OilBasedMud  | 6.125                                       | 4.5                          | 13.5                         | P110IC                                      | 11299  | 17270                                     | 600                                    | 1.18                                  | G  |  | 4628   | 0   | N   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| 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 <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .  |   |  |   |                              |                              |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| <table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>Regulatory Compliance Representative</u></td> <td>DATE</td> <td><u>7/30/2018</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Melissa Szudera</u></td> <td>E-mail address</td> <td><u>mszudera@marathonoil.com</u></td> <td>Telephone No.</td> <td><u>701-260-7272</u></td> </tr> </table>   |   |  | SIGNATURE                                   | <u>Electronically Signed</u> | TITLE                        | <u>Regulatory Compliance Representative</u> | DATE   | <u>7/30/2018</u>                          | Type or print name                     | <u>Melissa Szudera</u>                | E-mail address                               | <u>mszudera@marathonoil.com</u>          | Telephone No.                                    | <u>701-260-7272</u>                       |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| SIGNATURE  | <u>Electronically Signed</u>  | TITLE  | <u>Regulatory Compliance Representative</u> | DATE                         | <u>7/30/2018</u>             |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| Type or print name   | <u>Melissa Szudera</u>  | E-mail address   | <u>mszudera@marathonoil.com</u>             | Telephone No.                | <u>701-260-7272</u>          |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| <b>For State Use Only:</b><br><table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td><u>Paul F Kautz</u></td> <td>TITLE</td> <td><u>Geologist</u></td> <td>DATE</td> <td><u>7/30/2018 10:39:48 AM</u></td> </tr> </table>  |   |  | APPROVED BY:                                | <u>Paul F Kautz</u>          | TITLE                        | <u>Geologist</u>                            | DATE   | <u>7/30/2018 10:39:48 AM</u>              |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |
| APPROVED BY:   | <u>Paul F Kautz</u>   | TITLE  | <u>Geologist</u>                            | DATE                         | <u>7/30/2018 10:39:48 AM</u> |   |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |      |   |  |      |   |   |          |      |       |       |       |    |     |   |      |      |      |   |  |      |    |   |          |      |          |      |   |    |        |   |       |     |      |            |  |      |     |   |          |        |             |       |     |      |        |       |       |     |      |   |  |      |   |   |

**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 Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Comments  
  
Permit 255265

**DRILLING COMMENTS**

|   |                          |
|---|--------------------------|
| Operator:<br>MARATHON OIL PERMIAN LLC<br>5555 San Felipe St.<br>Houston, TX 77056 | OGRID:<br>372098         |
|   | Permit Number:<br>255265 |
|   | Permit Type:<br>Drilling |

**Comments**

| Created By   | Comment  | Comment Date |
|--------------|--|--------------|
| acovarrubias | An NSL request has been sent via mail for this well. | 7/30/2018    |