Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office Energy, Minerals and Natural Resources May 27, 2004 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 District II 30-025-37027 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III 1000 Rio Brazos Rd., Aztec, NM 87410 STATE FEE 😿 Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Dayton Hardy DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well X Gas Well Other 2. Name of Operator 9. OGRID Number Marathon Oil Company 3. Address of Operator 10. Pool name or Wildcat P.O. Box 3487 Houston, TX 77253-3487 Penrose Skelly Grayburg (50350) 4. Well Location 1800' J Unit Letter feet from the South 1500' line and feet from the line 20 Township 21-S Range **NMPM** 37-E County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3491' Pit or Below-grade Tank Application or Closure Pit type ___Dr __ Depth to Groundwater __ >50' __ Distance from nearest fresh water well ___ ____ Distance from nearest surface water Pit Liner Thickness: 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 \mathbf{x} **PULL OR ALTER CASING MULTIPLE** CASING TEST AND COMPLETION 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. Marathon Oil Company has set and tested surface casing on the Dayton Hardy No. 5. Please for details of drilling and setting casing. I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify the certification of the certification certific grade tank has been/will be constructed or closed according to NMOCD guidelines 🗶 , a general permit __or an (attached) alternative OCD approved plan [Engineering Technician TITLE_ DATE <u>06/06/2005</u> E-mail address: cekendrix@marathonoil.com Type or print name Charles E. Kendrix Telephone No. 713-296-2096 PETROLEUM ENGINEER JUN 13 2005 For State Use Only APPROVED BY DATE

Conditions of Approval, if any:

Dayton Hardy No. 5 Drill and Set Surface Casing

05/26/2005

Drill from surface to 417' (surface TD). Circulated gel sweep. POOH w/ laid down bit and drilling assembly. Prepare to run casing. Made up Texas pattern shoe and insert float collar on one joint 8 5/8" 24# K-55 casing.

05/27/2005

Ran Texas pattern casing shoe w/ insert type float collar on 9 full joints and one 14' joint 8 5/8" 24# K-55 casing. Bottom of shoe @ 407'. Cemented surface casing w/ 260 sks Premium + 2% CaCl + 0.25 pps Flocele mixed @ 14.8 ppg, 1.35 Yield, 6.36 Gal/Sack mix water. Dropped plug and displaced w/ 23 bbls fresh water. Bumped plug w/ 900 psi. 13 bbls cement returns to surface. Installed and nippled up BOP stack, flowline, and choke manifold. Picked up bit and BHA. Picked up two drill collars. TIH to 300'. Tested BOPs and choke manifold. Tested casing to 1000 psi for 30 minutes. Held. Commence further drilling.