State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources May 27, 2004 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 District II 30-025-37649 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III FEE X 1000 Rio Brazos Rd., Aztec, NM 87410 STATE 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 Mark Owen 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 14021 3. Address of Operator 10. Pool name or Wildcat P.O. Box 3487 Houston, TX 77253-3487 Paddock (49210) 4. Well Location 1650 1650 K South West feet from the line and feet from the line Township 21-S **NMPM** Range 37-E County Section 35 Les 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3374' GR Pit or Below-grade Tank Application or Closure ____ Depth to Groundwater __ _ 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 SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND **ABANDONMENT** CASING TEST AND **PULL OR ALTER CASING MULTIPLE** COMPLETION CEMENT JOB OTHER: Initial Completion Work New Well \mathbf{x} 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 completed operations to complete the Mark Owen No. 15 to the Paddock formation. Please see attachment for details of well work. 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 belowgrade 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. Kundle TITLE Regulatory Compliance Rep DATE E-mail address: cekendrix@marathonoil.com Type or print name Charles E. Kendrix Telephone No. 713-296-2096 For State Use Only TITLEPETROLEUM ENGINEER MAY-0 8 2006 APPROVED BY_

Conditions of Approval, if any:

Mark Owen No. 15 Initial Completion Work Paddock Formation

03/07/2006 RU McKlaskey acid truck spot 10% Acedic acid f/ 5082' to 5225'. RD McKlaskey. RU Baker Atlas. Test Lubricator to 1000 psi. Perforate Paddock formation w/ 3 1/8" slick guns, 311T 23 gram charges, w/ 2 JSPF, 120° phasing, w/ collar locator. Perforate top down in acid w/ 6 intervals in 7 gun runs as follows:

Interval	Feet	Shots
5082' – 5086'	4'	8
5094' – 5111'	17'	34
5124' – 5134'	10'	20
5146' – 5168'	22'	44
5178' – 5202'	24'	48
5202' – 5205'	3'	6
5210' – 5224'	<u>14'</u>	<u>28</u>
Totals	94'	188 shots

RD Baker Atlas. Pressure up casing broke down perfs@ 1950 psi / 35bbl, @ 2 BPM. Increased rate to 2.5 BPM and pressure fell to 1800 spi. Pumped total 45 bbls fresh water, and shut down. Bled off pressure. SI well.

03/13/2006 RU Halliburton frac equipment. Sand frac perfs f/ 5082' to 5224' w/ 2044 bbls Gel @ 35 BPM @ 2427 psi. 169,690 lbs Premium Brown 20/40 Sand w/ Halliburton additive Expedite 225 Flow back control added. Well on vacuum. SI well.

03/16/2006 RIH w/ notched collar on 163 jts 2 7/8" tbg. Tag top of sand fill @ 5055'. POOH 2 jts. SI well.

03/17/2006 RIH w/ 2 jts tag sand fill @ 5055'. RU power swivel. Circ out sand to 5225'. Clean out cement f/ 5225' to 5249'. PUH above top perfs. SI well.

03/19/2006 Unload rods and supplies. SI High winds.

03/20/2006 RIH tag sand fill @ 5248'. 1' sand fill. POOH w/ tbg. RIH w/ mud joint, SN, Special alloy joint, 2 jts. 2 7/8" tbg, TAC, 158 jts 2 7/8" tbg. Set TAC. Flange up wellhead. TAC@4931'. SN @ 5029'. Bottom of Mud Joint @ 5060'. RIH w/ rod insert pump, 10 – 1" steel rods, 130 – 7/8" steel rods, 10 – 1" steel rods. Install polish rod and stuffing box. SI well.

03/21/2006 Finish RIH w/ 48 – 1" steel rods. Seat pump, load and test pump and tubing. Hang well on pumping to production facilities.