

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. 30-025-37556
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Walter Lynch
8. Well Number 12
9. OGRID Number 14021
10. Pool name or Wildcat Wildcat Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3353' GR
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 _____

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> 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 <u>F</u> : <u>1830'</u> feet from the <u>North</u> line and <u>1980'</u> feet from the <u>West</u> line Section <u>1</u> Township <u>22-S</u> Range <u>37-E</u> NMPM County <u>Lea</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3353' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
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: Plugback reservoir <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 proposing to plug back the Grayburg formation in the downhole commingled Walter Lynch No. 12 well. The well is currently open to a wildcat Queen pool and the Penrose Skelly Grayburg. The well has only produced a small volume of gas and no oil from these combination of pools with a large water volume. Marathon Oil intends to isolate the Grayburg formation, and add perforations & frac the Queen formation in order to try to obtain an economically viable well. Please see attachment for details of proposed 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 below-grade tank has been constructed or closed according to NMOC guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Charles E. Kendrix TITLE Reg. Compliance Rep. DATE 08/22/2006
Type or print name Charles E. Kendrix E-mail address: cekendrix@marathonoil.com
Telephone No. 713-296-2096

For State Use Only

APPROVED BY Hayley Wink OC FIELD REPRESENTATIVE II/STAFF MANAGER
Conditions of Approval, if any _____ TITLE _____ DATE OCT 12 2006