Form C-103 Submit 3 Copies To Appropriate District State of New Mexico Office Energy, Minerals and Natural Resources May 27, 2004 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 District II 30-025-37556 **OIL CONSERVATION DIVISION** 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE \square FEE X 1000 Rio Brazos Rd., Aztec, NM 87410 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 Walter Lynch 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 30 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 Wildcat Queen (97559) 4. Well Location 1830 1980 West Unit Letter feet from the line and feet from the line Section Township 22-S Range Lea County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3353' 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 NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** \square **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT PULL OR ALTER CASING CASING TEST AND **MULTIPLE** 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 is proposing to temporarily abandon the Walter Lynch No 12 well. Marathon will set a CIBP @ 3600', which is 76' above the existing Queen perforations in this well. The well is currently shut in as it was making only water. Marathon is requesting that we be given a TA status of one year for this well in order to give us time to negotiate the sale of the wellbore to Rice Operating. This time interval will give Rice Operating time to evaluate the wellbore for conversion to a disposal well. 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 _____ Reg Compliance Rep _ TITLE__ E-mail address: cekendrix@marathonoil.com Type or print name Charles E. Kendrix Telephone No. 713-296-2096 OC FIELD REPRESENTATIVE IVSTAFF MADATE For State Use Only

Conditions of Approval, if an