State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources Revised March 25, 1999 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 District II 30-025-33578 OIL CONSERVATION DIVISION 811 South First, Artesia, NM 87210 5. Indicate Type of Lease 2040 South Pacheco District III STATE x FEE \square 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 2040 South Pacheco, 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 DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) McGrail State 1. Type of Well: Oil Well Gas Well Other 2. Name of Operator 8. Well No. Marathon Oil Company 3. Address of Operator 9. Pool name or Wildcat P.O. Box 552 Midland, TX 79702 Monument ABO Well Location 990 feet from the line and 380 feet from the line Section Township 27 19-S Range 36-E **NMPM** County Lea 10. Elevation (Show whether DR, RKB, RT, GR, etc.) GL-3709'; KB-3725' 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON PERFORM REMEDIAL WORK REMEDIAL WORK \mathbf{x} **ALTERING CASING** TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND **ABANDONMENT PULL OR ALTER CASING MULTIPLE** CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: 12. 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 recompilation. 5/30/02 Install CIBP @ 7314'. Test to 1500 PSI. Perforate 7103-17, 7124-47, 7162-70,7178-98, 7211-23 @ 6 SPF. Set CIEP @ 7240', Set Packer on wireline at 7043'. Run 2 7/8 tubing & testing. RD WSU. 6/03/02. I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE \ TITLE Administrative Assistant DATE_ 6/05/02 Type or print name Veronica Galindo Telephone No. (This space for State use) PAUL F. KAUT? PETROLEUM ENGINEER DATEUN 1 APPROVED BY

Conditions of approval, if any: