

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87410

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM

87505

HOBBS OCD

OIL CONSERVATION DIVISION

AUG 21 2017

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

WELL API NO.

30-025-26644

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

L-6453

7. Lease Name or Unit Agreement Name

Maralo "16" State

8. Well Number 2

9. OGRID Number

281085

10. Pool name or Wildcat

Sioux Tansill (Yates 7 Rivers)

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator

RMR Operating, LLC

3. Address of Operator

14282 Gillis Rd. Farmers Branch, Texas 75244-3715

4. Well Location

Unit Letter E : 1980 feet from the North line and 660 feet from the West lineSection 16 Township 26S Range 36E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

2943'GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐TEMPORARILY ABANDON ☐PULL OR ALTER CASING ☐DOWNHOLE COMMINGLE ☐CLOSED-LOOP SYSTEM ☐OTHER: ☐PLUG AND ABANDON ☒CHANGE PLANS ☐MULTIPLE COMPL ☐

SUBSEQUENT P

REMEDIAL WORK ☐COMMENCE DRILLING OPNS. ☐CASING/CEMENT JOB ☐OTHER: ☐INT TO PA Pm ☒P&A NR P&A R

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

② Circulate hole with 9.5# Brine w/ 12.5# gel/BB1 Pressure test csg to 500 psi

① Set CIBP at 3241'. (Top Perf @3291')

Spot ³⁰₂₅ sx on top CIBP.

Perf 5-1/2" casing (4 SPF) @1453'. Sqz with 75 sxs. Displace to 1353'. WOC and Tag

Spot 100' cmt plug from 400' to 300' (Fresh Water Plug)

Perf @ 200'. Circulate cement to surface inside/outside 5 1/2" casing

Spot 10 sxs cmt surface plug.

Cut-off wellhead. Install marker. Clean Location

Spud Date:

Verify cement to surface all strings

Rig Release Date:

NOTIFY OCD 24 HOURS PRIOR TO BEGINNING PLUGGING OPERATIONS

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Ross Pearson TITLE V.P. Operations DATE 8/18/17Type or print name Ross Pearson E-mail address: ross@redmountainresources.com PHONE: 469-995-0925

For State Use Only

APPROVED BY: Manuel Gutierrez TITLE Petroleum Engr. Specialist DATE 08/21/2017

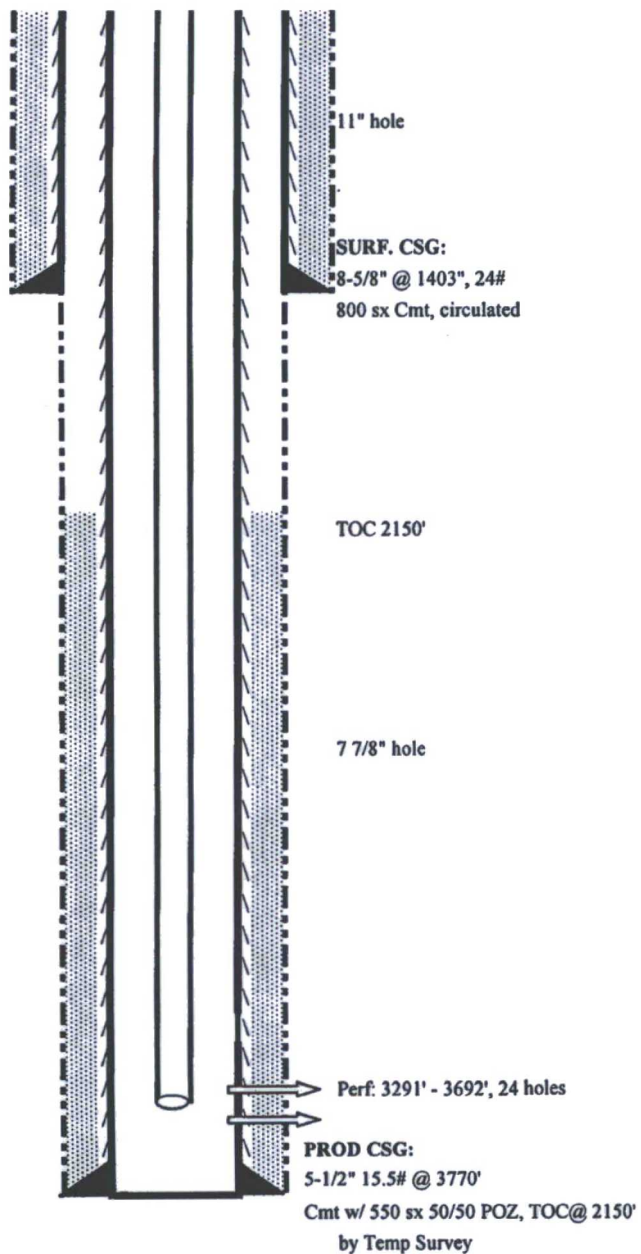
Conditions of Approval (if any):

WELL DATA

DATE: 4/12/2007

LEASE/WELL: **Maralo "16" State #2**
FIELD: **Sioux Tansill (Yates 7 Rivers)**

LOCATION: **E: 1980' FNL and 660' FWL, Sec 16,**
Township 26S, Range 36E

COUNTY: **Lea**STATE: **NM**

TD: 3770'
PBD: 3716'

REMARKS: