Submit 1 Copy To Appropriate District Office <u>District I</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210 <u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-103 Revised July 18, 2013 WELL API NO. 30-025-43470 5. Indicate Type of Lease STATE FEE FEDERAL 6. State Oil & Gas Lease No. NA	~	
(DO NOT USE THIS FORM FOR PROPOSAL	S AND REPORTS ON WELLS S TO DRILL OR TO DEEPEN OR PLUG BACK TO A ION FOR PERMIT" (FORM C-101) FOR SUCH	7. Lease Name or Unit Agreement Name		
PROPOSALS.)	s Well D Other: Acid Gas Injection Well	Monument AGI D 8. Well Number #2	-	
	HOBBS OCD	9. OGRID Number 24650	-	
3. Address of Operator 1000 Louisi	ana, Houston, TX 77002	10. Pool name or Wildcat AGI: Devonian		
	O: <u>685</u> feet from the SOUTH line and <u>2</u> , 36 Township <u>19S</u> Range <u>36E</u> NMPM		/	
Section 36 Township 195 Range 36E NMPM County Lea 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,384 (GR) 3,384 (GR)				

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		CHANGE PLANS		COMMENCE DRILLING OPNS. P AND A	
PULL OR ALTER CASING		MULTIPLE COMPL		CASING/CEMENT JOB	
DOWNHOLE COMMINGLE					
CLOSED-LOOP SYSTEM				OTHER: (Mechanical Integrity Test)	\boxtimes
OTHER: (COMPLETION)					

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.

Currently the well has been drilled to a total depth of 9,210 feet (9,198 TVD) with open hole from 8,350 feet (8,339 TVD) to TD as shown on Figure 1. The permanent packer is set at 8,292 feet (8,281 TVD). The following is a summary of the MIT:

The MIT was conducted after providing notice to NMOCD on Tuesday, January 31, 2017 beginning at 8:15 am. George Bower, Technician for the NMOCD was on site to witness and approve the test. Below is a step-by-step summary of the MIT and observed results:

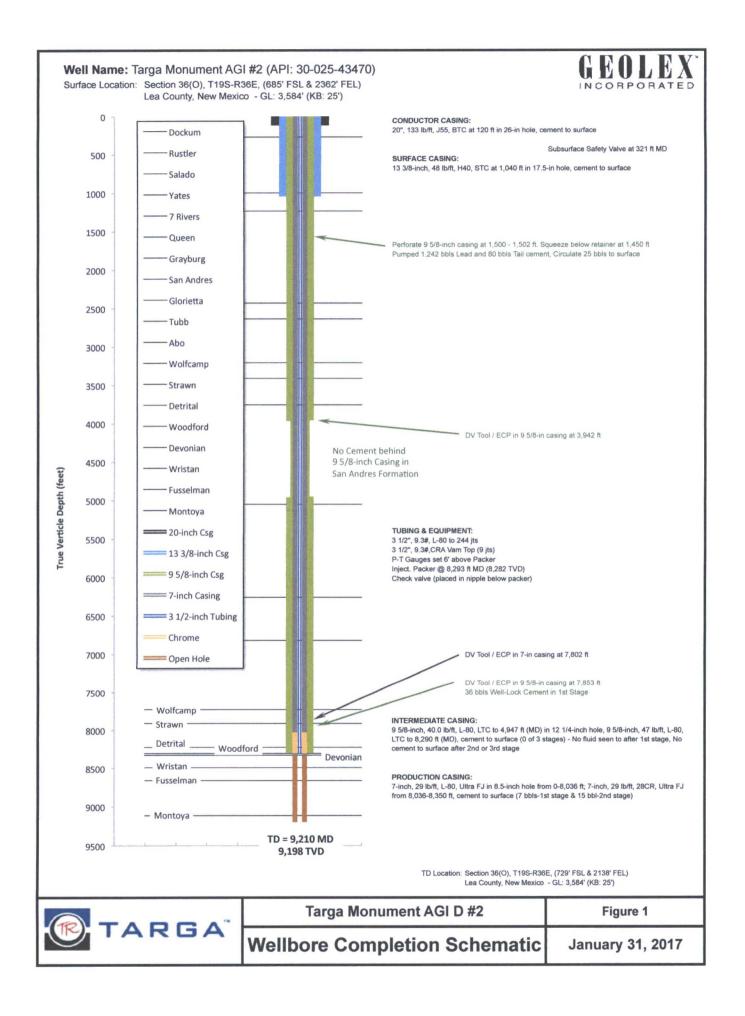
- 1. This is a new well and therefore there is no injection occurring.
- 2. The annular space pressure between casing and tubing was 0 psig at the start of the MIT.
- 3. Placed chart on annular space and began recording annular space pressure.
- 4. Slowly raised annular pressure by introducing diesel to the annulus to bring pressure to 560 psig.
- 5. When annulus pressure reached 560 psig, closed valves to pumping truck.
- 6. Recorded annular space pressure for 32 minutes.
- 7. After 32 minutes (8:47) the annulus pressure was 550 psig, a loss of 10 psig (1.8% decrease).
- 8. The diesel was bled from the annulus to reduce observed pressure to 0 psig at which time recording was stopped and the test completed.

In addition to Figure 1, please find the attached pressure chart (approved by the NMOCD) and calibrations information.

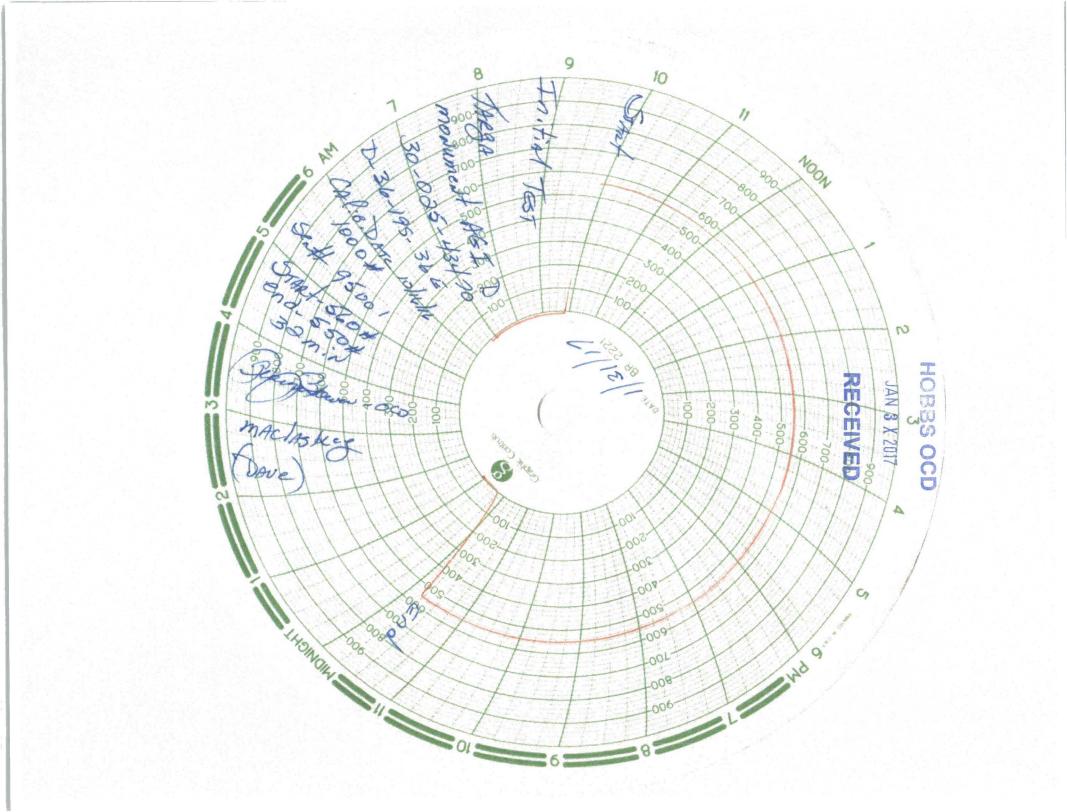
Chart-REDMS

Spud Date:	November 23, 2016	Rig Release Date:	January 13, 2017	
I hereby certif	y that the information above is true a	nd complete to the best of	my knowledge and belief.	
SIGNATURE		TITLE <u>Consultant to</u>		DATE <u>1-31-17</u>
Type or print	name Dale T. Littlejohn		s: dale@geolex.com	PHONE: <u>505-842-8000</u>
For State Use	e Only	Petrole	eum Engineer Bug uməlotisə	, , ,
APPROVED Conditions of	BY:Approval (if any):	TITLE	and another of	DATE

JAN 3 X 2017 RECEIVED



the second se



MACLASKEY OILFIELD SERVICES

5900 WEST LOVINGTON HWY, HOBBS, N.M. 88240 505-393-1016

THIS IS TO CERTIFY THAT: I. Albert Rodigue L METER TECHNICAN FOR MATLASKEY OILFIELD SERVICES, INC. HAS CHECKED THE CALIBRATION ON THE FOLLOWING INSTRUMENT. 1000 PRESSURE RECORDER

SERIAL NUMBER 95001

TES	TED AT THE	ESE POINTS.
	FICESSERE	Sec
TEST	AS FOUND	CORFECTED
Tin	-100	
da	- ZCC	
300	400	
400	500	

	ESTRE 100	0	
TEST	AS FOUND	CORFECT	
600	Dec.		
200	SUI		
900	1000	-	

REMARKS:

"SIGNED: Albert Rod ugy