

Submit 1 Copy To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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| 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.) | | WELL API NO. 30-015-26575 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: Injection Well <input checked="" type="checkbox"/> | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator: HollyFrontier Navaio Refining LLC. | | 6. State Oil & Gas Lease No. B-2071-28 |
| 3. Address of Operator: P.O. BOX 159, ARTESIA, NM. 88211 ; 501 E. MAIN, ARTESIA, NM. 88210 | | 7. Lease Name or Unit Agreement Name GAINES - WDW - 3 |
| 4. Well Location Unit Letter: N : 790 feet from the SOUTH line and 2250 feet from the WEST line Section 1 Township 18S Range 27E NMPM County: EDDY | | 8. Well Number: WDW - 3 |
| | | 9. OGRID Number: 15694 |
| | | 10. Pool name or Wildcat: PENN 96918 |
| | | 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3609' GL., RKB |

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

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| NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> | | SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> | |
| X: OTHER: PERFORM PRESSURE FALLOFF TEST | | 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- AUG. 25, 2017** - Install bottomhole gauge into WDW-3 by 9:30 am. Continue injection into all three wells.
- AUG. 26, 2017** - Continue normal Injection into all wells.
- AUG 27, 2017** - At 9:30 am, Navajo personnel will start constant injection into the offset wells Mewbourne WDW-1 and Chukka WDW-2. A constant injection rate will be established for Gaines WDW-3 at 160 GPM and continue for a 30-hour injection period. Do not exceed 1400 psig wellhead pressure. Plant personnel will record rate, volume, and pressure during the injection period for all wells to confirm that a constant pre-falloff injection rate is maintained. Samples of the injection fluid will be collected every 10 hours; analyze the fluid for pH and Specific Gravity.
- AUG 28, 2017** - At 3:30 pm, WDW-3 will be shut in for a 30-hour falloff period. WDW-1 and WDW-2 will continue constant injection rates of 160 GPM. WSP personnel will return to site.
- AUG 29, 2017** - The Gaines WDW-3 well will continue to be shut in while monitoring falloff pressure.
- AUG 30, 2017** - At 8:00am, acquire downhole pressure gauge from Gaines WDW-3. Tag bottom of fill and come out of hole very slowly, making 7-minute gradient stops while coming out of WDW-3 every 1000 feet (7000 ft, 6000 ft, 5000 ft, 4000 ft, 3000 ft, 2000 ft, 1000 ft, surface). Turn the wells back to Navajo personnel

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

SIGNATURE Lewis Dade TITLE: Environmental Specialist DATE Aug 7, 2017

Type or print name: Lewis Dade E-mail address: Lewis.Dade@hollyfrontier.com PHONE: 575-746-5281

For State Use Only

APPROVED BY: [Signature] TITLE Environmental Engineer DATE 8/10/2017

Conditions of Approval (if any): Dates may change due to weather conditions and/or plant issues.