

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

WELL API NO. 30-031-21006
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1724
7. Lease Name or Unit Agreement Name Torreon Wash 36 State
8. Well Number 1
9. OGRID Number 246238
10. Pool name or Wildcat Arena Blanca Entrada

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
HPOC, LLC

3. Address of Operator
322 N. Railroad Ave., PO Box 5046, Buena Vista CO 81211

4. Well Location
Unit Letter I ; 2143 feet from the South Line and 1223' feet from the East Line
Section 36, Township 20 North, Range 5 West of the NMPM, McKinley County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
GR 6632'; RKB 6644'

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

NOTICE OF INTENTION TO:

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

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

HPOC intends to shut-in this well and add it to the list of wells in our existing Inactive Well Agreed Compliance Order with OCD, ACOI No. 2016-012. Continued low oil prices and the significant San Juan Basin oil price differential (with transportation charges, our realized oil price is about \$14.50 below WTI posted price), require us to wait for an increase in pricing to bring this well back into production. We will also be submitting a "Shut-in Oil Well Notification Form" with the NM State Land Office (19-10-6 NMSA).

A mechanical integrity test was run on July 20, 2016 and is in the OCD file for this well.

Re-entry Date:

Rig Release Date:

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

SIGNATURE: Butch Butler TITLE: Manager DATE: November 17, 2016

Type or print name: Butch Butler E-mail address: butch.butler@highplainsop.com PHONE: 719-395-8059

For State Use Only

APPROVED BY: [Signature] TITLE: Data Manager DATE: 12-7-16
Conditions of Approval (if any):