

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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|--|
| WELL API NO. 30-045-29811 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. Federal - SF-077315 |
| 7. Lease Name or Unit Agreement Name Martin |
| 8. Well Number 5R |
| 9. OGRID Number 372171 |
| 10. Pool name or Wildcat Fulcher Kutz PC/Basin FC |

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
Hilcorp Energy Company

3. Address of Operator
PO Box 4700, Farmington NM 87499

4. Well Location
Unit Letter A : 965 feet from the North line and 1285 feet from the East line
Section 31 Township 28N Range 10W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5811'

NMOC
 MAR 27 2018
 DISTRICT III

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

| | | | |
|--|---|--|--|
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input checked="" type="checkbox"/> | | OTHER: <input type="checkbox"/> | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| 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.

It is intended to recomplete the subject well in the Basin Fruitland Coal (pool 71629) and downhole commingle the existing Fulcher Kutz Pictured Cliffs (pool 77200) with the Fruitland Coal. The production will be commingled per Oil Conservation Division Order Number 11363. Allocation and methodology will be provided after the well is completed. Commingling will not reduce the value of the production. The Bureau of Land Management has been notified in writing of this application.

Proposed perforations are: FC - 1562' - 1773'; PC - 1776' - 1834' **These perforations are in TVD.**

Notification of the intent to commingle the subject well was sent to all interest owners via certified mail on 3/6/2018. No objections were received.

DHC #4022AZ

Spud Date: Rig Release Date:

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

SIGNATURE Kandis Roland TITLE Operations/Regulatory Technician DATE 3/26/18

Type or print name Kandis Roland E-mail address: kroland@hilcorp.com PHONE: (505) 324-5149

For State Use Only

APPROVED BY: [Signature] TITLE GEOLOGIST DISTRICT #3 DATE 3/27/2018
 Conditions of Approval (if any): AR

State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

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1000 Rio Brazos Rd., Aztec, NM 87410
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District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

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|-------------------------------|--|--|
| 1. API Number 30-045-29811 | 2. Pool Code 71629 | 3. Pool Name BASIN FRUITLAND COAL (GAS) |
| 4. Property Code 319191 | 5. Property Name Martin | 6. Well No. 005R |
| 7. OGRID No. 372171 | 8. Operator Name HILCORP ENERGY COMPANY | 9. Elevation 5811 |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| A | 31 | 28N | 10W | | 965 | N | 1285 | E | SAN JUAN |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|-----------------------------------|---------|----------|---------------------|---------|------------------------|----------|-----------|---------------|--------|
| | | | | | | | | | |
| 12. Dedicated Acres 324.87 N/2 | | | 13. Joint or Infill | | 14. Consolidation Code | | | 15. Order No. | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NONSTANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| <table border="1"> <tr><td> </td><td> </td><td> </td><td> </td></tr> </table> | | | | | | | | | | | | | | | | | <p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: <i>Kandis Roland</i> Title: Operations/Regulatory Technician Date: 3/5/18</p> |
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| <p align="center">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Surveyed By: Neale C. Edwards Date of Survey: 9/26/1998 Certificate Number: 6857</p> | | | | | | | | | | | | | | | | | |