

Submit 1 Copy To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

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

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. 30-045-20186
1. Type of Well: Oil Well ☐ Gas Well ☒ Other		5. Indicate Type of Lease STATE ☐ FEE ☐
2. Name of Operator HEP OIL GP, LLC		6. State Oil & Gas Lease No. 306814
3. Address of Operator P.O. BOX 1499 GAINESVILLE, TX 76241-1499		7. Lease Name or Unit Agreement Name HODGES
4. Well Location Unit Letter <u>B</u> : <u>790</u> feet from the <u>NORTH</u> line and <u>1850</u> feet from the <u>EAST</u> line Section <u>27</u> Township <u>26N</u> Range <u>8W</u> NMPM County <u>SAN JUAN</u>		8. Well Number 15
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6937 GR		9. OGRID Number 269469
		10. Pool name or Wildcat BASIN DAKOTA (PRORATED GAS)

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 ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

The Hodges #15 was shut in on Friday morning 9/24/10. A shut in fluid level was shot on Monday afternoon 9/26/10. A bottom hole pressure of 684 psi was calculated as shown on attached fluid level shot.

(a) ☐ Number of the Division Order that established pre-approved pool or area: R-11363

(b) ☐ Ballard-Pictured Cliffs (71439) and Basin-Dakota (71599)

(c) ☐ Ballard-Pictured Cliffs (71439) perforations 2716'-2722' & 2750'-2780'. Basin-Dakota (71599) perforations 7026'-7244'

(d) ☐ Allocation percentage will be based on individual testing of the zones during the work over.

(e) ☐ Commingling will not reduce the total remaining production value.

(f) ☐ Working Interest and Royalty Interest are identical in both zones

(g) ☐ Applicant is sending a copy of the Form C-103 to state land office District III Aztec, New Mexico and Sundry Notice 3160-5 to the BLM.

(h) ☐ Proposal is a preapproved pool and area under pool combination, San Juan Basin

Work over operations are estimated to start in mid-October 2010.

RCVD OCT 21 '10

OIL CONS. DIV.

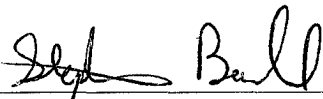
DIST. 3

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



TITLE PRODUCTION ENGINEER

DATE 09/28/2010

Type or print name STEPHEN BEALL

E-mail address: sbeall@hepoilco.com

PHONE: (940)665-4373

For State Use Only

SUPERVISOR DISTRICT # 3

APPROVED BY:

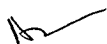


TITLE

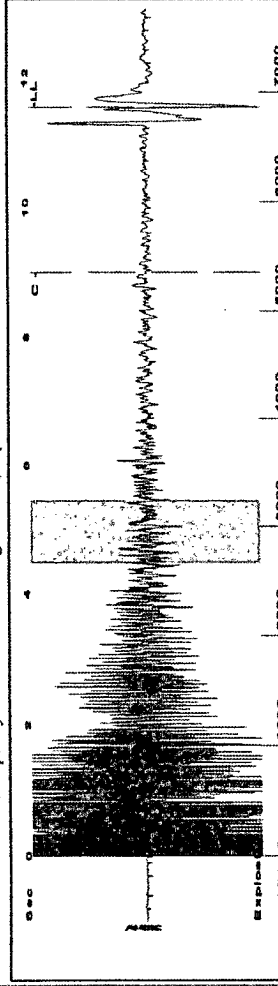
DATE

DEC 21 2010

Conditions of Approval (if any):

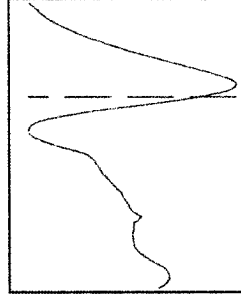
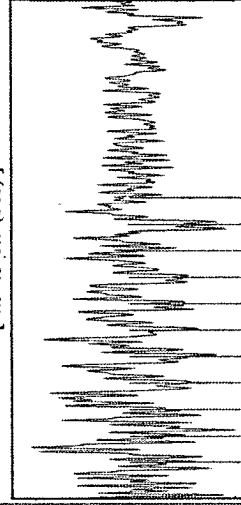


Group: MyWells Well: Hodges # 15 (acquired on: 09/27/10 13:57:16)



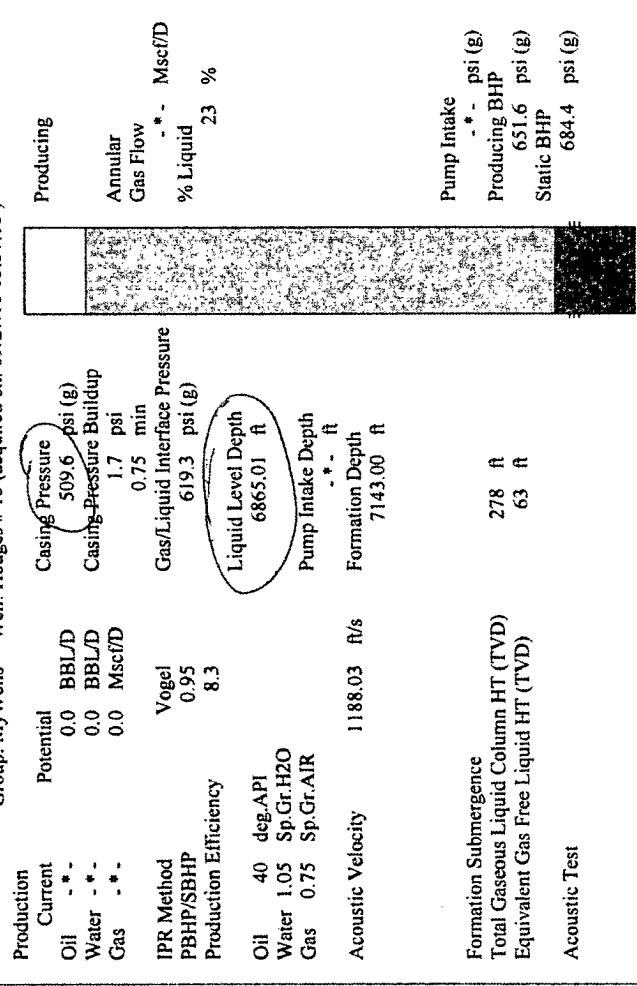
Filter Type High Pass Automatic Collar Count Yes Time 11.557 sec
Manual Acoustic Velo 1196.23 ft/s Manual JTS/sec 18.8679 Jts
Depth 6865.01 ft

[4.5 to 5.5 (Sec)]

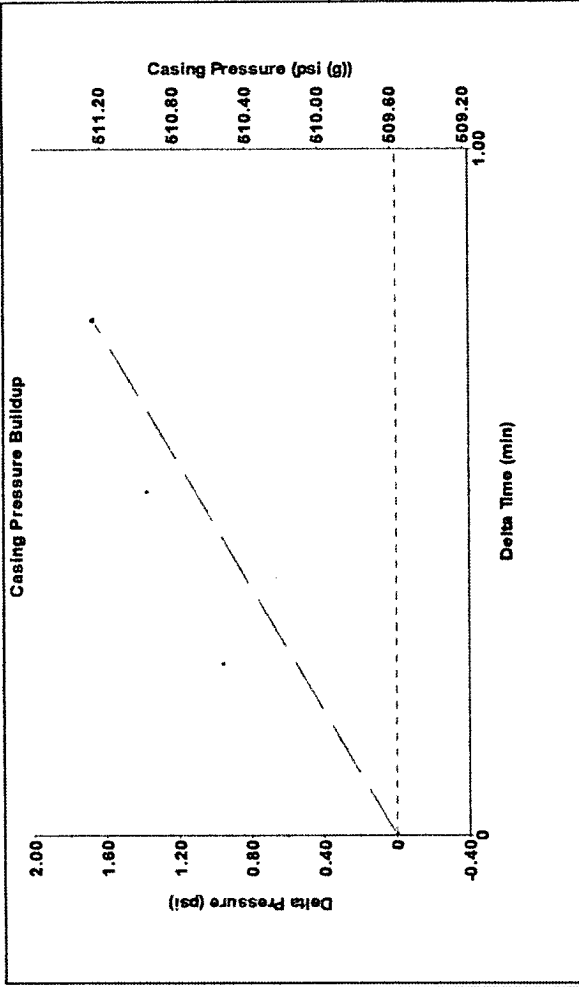


Analysis Method: Automatic

Group: MyWells Well: Hodges # 15 (acquired on: 09/27/10 13:57:16)

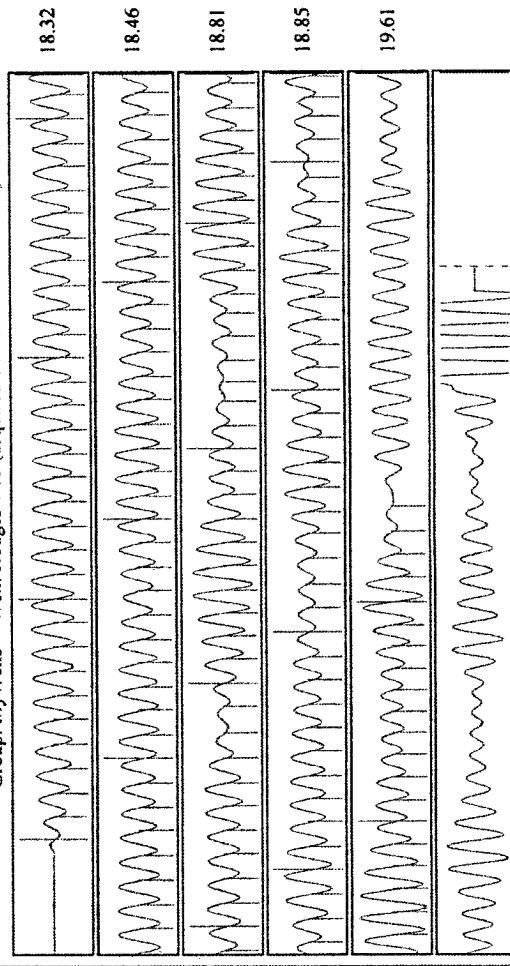


Group: MyWells Well: Hodges # 15 (acquired on: 09/27/10 13:57:16)



Change in Pressure 1.67 psi PT 8103 Range
Change in Time 0.75 min

Group: MyWells Well: Hodges # 15 (acquired on: 09/27/10 13:57:16)



Acoustic Velocity 1188.03 ft/s Joints counted 164
Joints Per Second 18.7386 jts/sec Joints to liquid level 216.562
Depth to liquid level 6865.01 ft Filter Width 20.8679
Automatic Collar Count Yes Time to 1st Collar 0.26 9.012