

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------|-----------------------|-------------|------------------------------------------------|-------------------------------------------|----------------------------------------|---------------------------------------|----------------------------------------------|------------------------------------------|--------------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------|--------------------------------------------|---------|--------------|--|-----------------------------------------------------------------------|--|
| <b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br>Phone:(575) 393-8161 Fax:(575) 393-0720<br><b>District II</b><br>811 S. First St., Artesia, NM 88210<br>Phone:(575) 748-1283 Fax:(575) 748-9720<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br>Phone:(505) 334-6178 Fax:(505) 334-6170<br><b>District IV</b><br>1220 S. St Francis Dr., Santa Fe, NM 87505<br>Phone:(505) 476-3470 Fax:(505) 476-3462                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><b>Oil Conservation Division</b><br><b>1220 S. St Francis Dr.</b><br><b>Santa Fe, NM 87505</b> | Form C-103<br>August 1, 2011<br>Permit 191851<br>WELL API NUMBER<br>30-025-41675<br>5. Indicate Type of Lease<br>S<br>6. State Oil & Gas Lease No.<br>7. Lease Name or Unit Agreement Name<br>MERCHANT LIVESTOCK 19<br>STATE<br>8. Well Number<br>002H<br>9. OGRID Number<br>260511<br>10. Pool name or Wildcat |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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:<br>O                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| 2. Name of Operator<br>GMT EXPLORATION COMPANY LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| 3. Address of Operator<br>1560 Broadway, Suite 2000, Denver, CO 80202                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| 4. Well Location<br>Unit Letter <u>N</u> : <u>33</u> feet from the <u>S</u> line and feet <u>2260</u> from the <u>W</u> line<br>Section <u>19</u> Township <u>22S</u> Range <u>35E</u> NMPM _____ County <u>Lea</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3551 GR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data<br><table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Perforations/Tubing</u> <input checked="" type="checkbox"/></td> </tr> </table>                                 |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 | NOTICE OF INTENTION TO:                   |                       | SUBSEQUENT REPORT OF: |             | PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> |         | Other: _____ |  | Other: <u>Perforations/Tubing</u> <input checked="" type="checkbox"/> |  |
| NOTICE OF INTENTION TO:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                               | SUBSEQUENT REPORT OF:                                                                                                                                                                                                                                                                                           |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| PERFORM REMEDIAL WORK <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | PLUG AND ABANDON <input type="checkbox"/>                                                                                                                                     | REMEDIAL WORK <input type="checkbox"/>                                                                                                                                                                                                                                                                          | ALTER CASING <input type="checkbox"/>     |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| TEMPORARILY ABANDON <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | CHANGE OF PLANS <input type="checkbox"/>                                                                                                                                      | COMMENCE DRILLING OPNS. <input type="checkbox"/>                                                                                                                                                                                                                                                                | PLUG AND ABANDON <input type="checkbox"/> |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| PULL OR ALTER CASING <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | MULTIPLE COMPL <input type="checkbox"/>                                                                                                                                       | CASING/CEMENT JOB <input type="checkbox"/>                                                                                                                                                                                                                                                                      |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| Other: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               | Other: <u>Perforations/Tubing</u> <input checked="" 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.<br>Perforations Report<br><div style="text-align: center;"> <b>Perforations</b><br/> <b>Pool: OJO CHISO;BONE SPRING, SOUTH , 97293 Location: C -19-22S-35E 33 S 2260 W</b> </div> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;">TOP</td> <td style="width:10%;">BOT</td> <td style="width:10%;">Open Hole</td> <td style="width:10%;">Shots/ft</td> <td style="width:10%;">Shot Size</td> <td style="width:10%;">Material</td> <td style="width:10%;">Stimulation</td> <td style="width:10%;">Amount</td> </tr> <tr> <td>11247</td> <td>14882</td> <td>N</td> <td>3</td> <td>0.88</td> <td>Sand/Water</td> <td>Frac</td> <td>3088951</td> </tr> </table> <div style="text-align: center;"> <b>Tubing</b> </div> |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 | TOP                                       | BOT                   | Open Hole             | Shots/ft    | Shot Size                                      | Material                                  | Stimulation                            | Amount                                | 11247                                        | 14882                                    | N                                                | 3                                         | 0.88                                          | Sand/Water                              | Frac                                       | 3088951 |              |  |                                                                       |  |
| TOP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | BOT                                                                                                                                                                           | Open Hole                                                                                                                                                                                                                                                                                                       | Shots/ft                                  | Shot Size             | Material              | Stimulation | Amount                                         |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| 11247                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 14882                                                                                                                                                                         | N                                                                                                                                                                                                                                                                                                               | 3                                         | 0.88                  | Sand/Water            | Frac        | 3088951                                        |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 |                                           |                       |                       |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| <table style="width:100%;"> <tr> <td style="width:20%;">SIGNATURE</td> <td style="width:30%;">Electronically Signed</td> <td style="width:20%;">TITLE</td> <td style="width:20%;">Pertotech</td> <td style="width:10%;">DATE</td> <td style="width:20%;">9/17/2014</td> </tr> <tr> <td>Type or print name</td> <td>Marissa Walters</td> <td>E-mail address</td> <td>mwalters@gmtexploration.com</td> <td>Telephone No.</td> <td>303-586-9275</td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 | SIGNATURE                                 | Electronically Signed | TITLE                 | Pertotech   | DATE                                           | 9/17/2014                                 | Type or print name                     | Marissa Walters                       | E-mail address                               | mwalters@gmtexploration.com              | Telephone No.                                    | 303-586-9275                              |                                               |                                         |                                            |         |              |  |                                                                       |  |
| SIGNATURE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Electronically Signed                                                                                                                                                         | TITLE                                                                                                                                                                                                                                                                                                           | Pertotech                                 | DATE                  | 9/17/2014             |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| Type or print name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Marissa Walters                                                                                                                                                               | E-mail address                                                                                                                                                                                                                                                                                                  | mwalters@gmtexploration.com               | Telephone No.         | 303-586-9275          |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| <b>For State Use Only:</b><br><table style="width:100%;"> <tr> <td style="width:20%;">APPROVED BY:</td> <td style="width:30%;">Paul Kautz</td> <td style="width:20%;">TITLE</td> <td style="width:20%;">Geologist</td> <td style="width:10%;">DATE</td> <td style="width:20%;">9/18/2014 10:55:10 AM</td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                 | APPROVED BY:                              | Paul Kautz            | TITLE                 | Geologist   | DATE                                           | 9/18/2014 10:55:10 AM                     |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |
| APPROVED BY:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Paul Kautz                                                                                                                                                                    | TITLE                                                                                                                                                                                                                                                                                                           | Geologist                                 | DATE                  | 9/18/2014 10:55:10 AM |             |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |         |              |  |                                                                       |  |

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

Comments  
  
 Permit 191851

**TUBING COMMENTS**

|                                                                               |                          |
|-------------------------------------------------------------------------------|--------------------------|
| Operator:<br>GMT EXPLORATION COMPANY LLC<br>1560 Broadway<br>Denver, CO 80202 | OGRID:                   |
|                                                                               | 260511                   |
|                                                                               | Permit Number:<br>191851 |
|                                                                               | Permit Type:<br>Tubing   |

**Comments**

| Created By | Comment        | Comment Date |
|------------|----------------|--------------|
| mwalters   | No Tubing ran. | 9/17/2014    |