

<b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 <b>District II</b> 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <b>District IV</b> 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b> <b>Oil Conservation Division</b> <b>1220 S. St Francis Dr.</b> <b>Santa Fe, NM 87505</b>	Form C-103 August 1, 2011 Permit 262624 <hr/> WELL API NUMBER 30-025-45448 <hr/> 5. Indicate Type of Lease P <hr/> 6. State Oil & Gas Lease No.  <hr/> 7. Lease Name or Unit Agreement Name MERCHANT STATE UNIT																																																																																																																
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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: O		8. Well Number 602H																																																																																																																
2. Name of Operator ADVANCE ENERGY PARTNERS HAT MESA, LLC		9. OGRID Number 372417																																																																																																																
3. Address of Operator 11490 Westheimer Rd. Ste 950, Houston, TX 77077		10. Pool name or Wildcat																																																																																																																
4. Well Location Unit Letter <u>D</u> : <u>200</u> feet from the <u>N</u> line and feet <u>990</u> from the <u>W</u> line Section <u>35</u> Township <u>21S</u> Range <u>33E</u> NMPM _____ County <u>Lea</u>																																																																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3688 GR																																																																																																																		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2" style="text-align: center;">NOTICE OF INTENTION TO:</td> <td colspan="2" style="text-align: center;">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>Drilling/Cement</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>Drilling/Cement</u> <input checked="" type="checkbox"/>																																																																																													
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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. Intermediate casing and cement.																																																																																																																		
<b>Casing and Cement Program</b> <table border="1" style="width:100%; border-collapse: collapse; font-size: small;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>01/17/19</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J55</td> <td>1374</td> <td>1718</td> <td>245</td> <td>1.33</td> <td>C</td> <td>0</td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>01/17/19</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J55</td> <td>0</td> <td>1718</td> <td>675</td> <td>2.33</td> <td>C</td> <td>0</td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>01/21/19</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>J55</td> <td>0</td> <td>3822</td> <td>420</td> <td>3.22</td> <td>C</td> <td>0</td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>01/21/19</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>J55</td> <td>2430</td> <td>3822</td> <td>100</td> <td>1.33</td> <td>C</td> <td>0</td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>01/21/19</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>HCL-80</td> <td>2866</td> <td>5233</td> <td>785</td> <td>3.23</td> <td>C</td> <td>0</td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>01/21/19</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>HCL-80</td> <td>4164</td> <td>5233</td> <td>310</td> <td>1.33</td> <td>C</td> <td>0</td> <td>1500</td> <td>0</td> <td>N</td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	01/17/19	Surf	FreshWater	17.5	13.375	54.5	J55	1374	1718	245	1.33	C	0	1500	0	N	01/17/19	Surf	FreshWater	17.5	13.375	54.5	J55	0	1718	675	2.33	C	0	1500	0	N	01/21/19	Int1	Brine	12.25	9.625	40	J55	0	3822	420	3.22	C	0	1500	0	N	01/21/19	Int1	Brine	12.25	9.625	40	J55	2430	3822	100	1.33	C	0	1500	0	N	01/21/19	Int1	Brine	12.25	9.625	40	HCL-80	2866	5233	785	3.23	C	0	1500	0	N	01/21/19	Int1	Brine	12.25	9.625	40	HCL-80	4164	5233	310	1.33	C	0	1500	0	N
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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 NMOC guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																																																																		
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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Comments  
  
Permit 262624

**DRILLING COMMENTS**

Operator: ADVANCE ENERGY PARTNERS HAT MESA, LLC 11490 Westheimer Rd., Ste 950 Houston, TX 77077	OGRID: 372417
	Permit Number: 262624
	Permit Type: Drilling

**Comments**

Created By	Comment	Comment Date
bharris	Ran split string of 9-5/8" 40# casing - HCL-80 from 5233' to 3822' and J-55 from 3822' to surface with a DV tool placed at 2866'. Pumped a 2 stage cement job - circulated cement of the DV tool on the first stage and cement to surface on the second stage. Reported 1st stage cement job with the bottom string of casing and the 2nd stage cement job with the top string of casing.	1/22/2019