

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. 30-045-06083
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-11356-19
7. Lease Name or Unit Agreement Name Huerfano Unit
8. Well Number 99
9. OGRID Number 372171
10. Pool name or Wildcat Angels Peak: Gallup / Basin Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6596 GL

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
382 Road 3100, Aztec, NM 87410

4. Well Location
 Unit Letter C 990 feet from the North line and 1650 feet from the West line
 Section 2 Township 26N Range 10W NMPM San Juan County

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.

It is intended to punch holes in the tubing on the dual well and ~~commingle~~ ^{commingle} the production from the Angels-Peak-Gallup (2170) and the Basin Dakota (pool 71599). 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 State of New Mexico Land Office has been notified in writing of this application.

Proposed perforations are: GL - 6122' - 6146'; DK - 6816' - 6908' These perforations are in TVD.

As referenced in Order # R- 13764 interest owners were not re-notified.

Hilcorp Energy requests permission to punch holes tubing and commingle the subject well according to the attached procedure and current wellbore schematic.

DHC # 4053AZ

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 Christine Brock TITLE Operations / Regulatory Technician DATE 5/30/2018

Type or print name Christine Brock E-mail address: cbrock@hilcorp.com PHONE: 505-324-5155

For State Use Only

APPROVED BY: [Signature] TITLE GEOLOGIST DISTRICT #3 DATE 6/6/2018
 Conditions of Approval (if any):

Huerfano Unit #99

002-026N-010W-C

API: 30-045-06083

Commingle Gallup & Dakota Production

5/17/18

Proposed Procedure

1. MIRU E-line unit.
2. RIH w/ tubing punch and punch holes in tubing from 6,122' – 6,146'.
3. TOOH w/ E-line and RDMO E-line unit.

