

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

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

WELL API NO. 30-015-06194
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. 81-635
7. Lease Name or Unit Agreement Name: Leonard
8. Well No. Leonard State #3
9. Pool name or Wildcat

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 [X] Other Salt Dome Storage

2. Name of Operator loco Hills MSP LTD

3. Address of Operator 1231 Old Annetta Rd Alamo Tx 76008

4. Well Location Unit Letter L : 1975 feet from the south line and 560 feet from the west line Section 22 Township 17S Range 29E NMPM County Eddy

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [X] PLUG AND ABANDON [] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] MULTIPLE COMPLETION [] OTHER: []
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: []

12. 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 recompilation.

- 1 Pull tubing to check for leaks (pressure test)
2 Set packer, test casing
3 If casing test holds min 350psi for 30 min (chart recorded) Run tubing back in cavern to proper depth
4 Return to service

NM OIL CONSERVATION ARTESIA DISTRICT JAN 24 2018 RECEIVED

Start date 2/1/2018

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

SIGNATURE Myron Kinman TITLE Terminal Manager DATE 1/16/2018

Type or print name Myron Kinman Telephone No 575-677-2331 (This space for State use)

APPROVED BY RICHARD INGLE TITLE COMPLIANCE OFFICER DATE 1/24/18

Conditions of approval, if any: