

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. 30-015-05422
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Skelly Unit
8. Well Number #85
9. OGRID Number 329319
10. Pool name or Wildcat Grayburg Jackson; SR-Q-G-SA
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3824'

**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  Injection

2. Name of Operator  
LH Operating, LLC

3. Address of Operator  
P.O. Box 3217 Hobbs, NM 88241

4. Well Location  
 Unit Letter B : 660 feet from the North line and 1980 feet from the East line  
 Section 27 Township 17S Range 31E NMPM Eddy County

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	MIT Testing <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

LH Operating, is respectfully submitting the attached MIT test results for the referenced well.

Test Date: 11/26/2019

Result: Pass

**RECEIVED**

**FEB 12 2020**

**EMNRD-OCDARTESIA**

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 [Signature] TITLE Production Manager DATE 12/20/19

Type or print name M.Y. Merchant E-mail address: mymerch@penrocoil.com PHONE: 575-492-1236

**For State Use Only**

APPROVED BY: [Signature] TITLE Compliance Officer DATE 2-13-20

Conditions of Approval (if any):

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

Ken McQueen  
Cabinet Secretary

Matthias Sayer  
Deputy Cabinet Secretary

Heather Riley, Division Director  
Oil Conservation Division



Date: 11-26-19

API# 30-015-05422

A Mechanical Integrity Test (M.I.T.) was performed on, Well S Kelly unit #085

M.I.T. is successful, the original chart has been retained by the Operator on site. Send a legible scan of the chart with an attached **Original C-103 Form** indicating reason for the test, via post mail to District NMOCD field office. A scanned image will appear online via NMOCD website, [www.emnrd.state.nm.us/ocd/OCDOOnline.htm](http://www.emnrd.state.nm.us/ocd/OCDOOnline.htm) 7 to 10 days after postdating.

M.I.T. is unsuccessful, the original chart is returned to the Operator. Repairs will be made, Operator is to schedule for a re-test within a 90-day period. If this is a test of a repaired well currently in non-compliance, all dates and requirements of the original are still in effect.  
**No expectation of extension should be construed because of this test.**

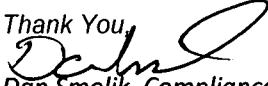
M.I.T. for Temporary Abandonment, shall include a detailed description on **Form C-103**, including the location of the CIBP and any other tubular goods in the well including the Operator's request for TA status timeline.

M.I.T. is successful, after the secondary request of a scheduled M.I.T. is performed. Therefore, Operator has within a 30-day period from the M.I.T. to submit a current C-103 along with a legible scan of the Chart, including a detailed description of the repair(s). **Only after receipt of the C-103 will the non-compliance be closed.**

M.I.T. is successful, Initial of an injection well, you must submit a **form C-103** to NMOCD within 30 days. A **C-103 form** must include a detailed description of the work performed on this well including the position of the packer, tubing Information, the date of first Injection, the tubing pressure and Injection volume.

Please contact \_\_\_\_\_ for verification to ensure documentation requirements are in place prior to injection process.

**If I can be of additional assistance, please feel free to contact me at (575) 748-1283 ext. 103.**

Thank You,  
  
Dan Smolik, Compliance Officer  
EMNRD-O.C.D.  
District II - Artesia, NM