

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. 30-015-25993
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 H E West B
8. Well Number #35
9. OGRID Number 329319
10. Pool name or Wildcat Grayburg Jackson; SR-Q-G-SA

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Injection <input checked="" type="checkbox"/>
2. Name of Operator LH Operating, LLC
3. Address of Operator P.O. Box 3217 Hobbs, NM 88241
4. Well Location Unit Letter <u>L</u> : <u>1980</u> feet from the <u>South</u> line and <u>860</u> feet from the <u>West</u> line Section <u>09</u> Township <u>17S</u> Range <u>31E</u> NMPM <u>Eddy</u> County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3857'

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: MIT Testing ☒

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: 11/05/2019

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 12/30/19

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 Office DATE 2-13-20
Conditions of Approval (if any):

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary Designate

Todd E. Leahy, JD, PhD
Deputy Secretary

Gabriel Wade, Acting Director
Oil Conservation Division



Date: 11-5-19

API# 30-015-25993

A Mechanical Integrity Test (M.I.T.) was performed on, Well H E west B # 35

X 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 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.

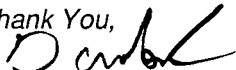
___ M.I.T. is successful, after the secondary request of a scheduled M.I.T. is performed. Therefore, Operator has within a 30-day period from the M.I.T. to submit a current C-103 along with a legible scan of the Chart, including a detailed description of the repair(s). **Only after receipt of the C-103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

Thank You,


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