

Submit To Appropriate District Office Two Copies <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 811 S. First St., Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised August 1, 2011								
		1. WELL API NO. 30-025-41676								
		2. Type of Lease ☒ STATE ☐ FEE ☐ FED/INDIAN								
		3. State Oil & Gas Lease No. B-1040-14; VB-2073; VB-2074								
WELL COMPLETION OR RECOMPLETION REPORT AND LOG										
4. Reason for filing: ☒ COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) ☐ C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)		5. Lease Name or Unit Agreement Name Merchant Livestock 30 State 6. Well Number: 2H HOBBS OCD								
7. Type of Completion: ☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER		SEP 25 2014								
8. Name of Operator GMT Exploration Company LLC		9. OGRID 260511								
10. Address of Operator 1560 Broadway Suite 2000, Denver, CO 80202		11. Pool name or Wildcat Ojo Chiso; Bone Spring South RECEIVED								
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	C	30	22S	35E		33	N	2260	W	Lea
BH:	N	30	22S	35E		330 33L	S	2260 2270	W	Lea
13. Date Spudded 6/8/2014	14. Date T.D. Reached 7/9/2014	15. Date Rig Released 7/12/2014		16. Date Completed (Ready to Produce) 9/1/2014			17. Elevations (DF and RKB, RT, GR, etc.) 3550' GR			
18. Total Measured Depth of Well 15,995' (TVD 11,375')		19. Plug Back Measured Depth 15,971'		20. Was Directional Survey Made? Yes			21. Type Electric and Other Logs Run N/A			
22. Producing Interval(s), of this completion - Top, Bottom, Name Bone Spring										
23. CASING RECORD (Report all strings set in well)										
CASING SIZE	WEIGHT LB./FT.	DEPTH SET		HOLE SIZE		CEMENTING RECORD			AMOUNT PULLED	
13 3/8	54.5	1807		17 1/2		Lead: Class "C", 855 sx, 12.9 ppg, 15.4 gal/sk. Additives: 2% D020 Gel, 0.2% D046 Anti Foamer, 3 pps D042 Kolite, 1% CaCl2, 0.125 pps D130 Poly Flakes. Tail: Class "C", 450 sx, 14.8 ppg, 6.32 gals/sk. Additives: 1% CaCl				
8 5/8	32	5416		11		Lead: Class TXI LITEWEIGHT, 200 sx, 12 ppg, 14.7 gals/sk. Additives: 2#/BBL Cement, 5% Salt, 3% D020 Gel, 5 pps D042 Kolite, 0.1% D065 Dispersant, 0.2% D046 Antifoam and 0.125 pps Tail: Class "C", 3120 sx, 12.8 ppg, Additives: .2% D046 Anit-Foam, 0.125% pps D130 Poly Flake				

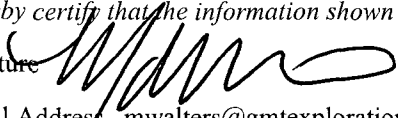
OCT 16 2014

JS

5 1/2	20	15995	7 7/8	Lead: 600 sx, 11.8 ppg, 14.65 gals/sk. Additives: 42 pps DO35-CF Litepoz 3 Extender cont'g, 5% salt, 10% gel, 0.5% D207 FLA, 3 pps Kolite, .125 ppds Poly Flake, 0.2% DO46 Anti Foamer, 0.1% D208 Viscosifer, 0.6% B374 Retarder. Tail: 100 sx, 13.5 ppg, 7.98 gals/sk. Additives: cont'g 1.5% D174 expanding agent, 0.2% DO46 Anti Foamer, 0.8% D800 Retarder, 0.5% D112 Fluid Loss, 0.1% D208 Viscosider

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26. Perforation record (interval, size, and number) 11914' - 15,795', 0.84, 486				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.			
				DEPTH INTERVAL		AMOUNT AND KIND MATERIAL USED	
				11914'-15795'		Frac with 1166 bbls of 7.5% HCL acid	
						240,260lbs 100 mesh sand, 2,575,122 lbs	
						20/40 sand, 53,085 bbls load	

28. PRODUCTION							
Date First Production 9/1/2014		Production Method (<i>Flowing, gas lift, pumping - Size and type pump</i>) Flowing			Well Status (<i>Prod. or Shut-in</i>) Producing		
Date of Test 9/12/2014	Hours Tested 24	Choke Size 20	Prod'n For Test Period	Oil - Bbl 230	Gas - MCF 308	Water - Bbl. 447	Gas - Oil Ratio
Flow Tubing Press. N/A	Casing Pressure 345	Calculated 24- Hour Rate	Oil - Bbl. 230	Gas - MCF 308	Water - Bbl. 447	Oil Gravity - API - (<i>Corr.</i>) 41	
29. Disposition of Gas (<i>Sold, used for fuel, vented, etc.</i>) Sold						30. Test Witnessed By Bret Willis	

31. List Attachments Directional Survey, Wellbore Diagram			
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.			
33. If an on-site burial was used at the well, report the exact location of the on-site burial:			
Latitude		Longitude	
		NAD 1927 1983	
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief			
Signature	Printed Name	Title	Date
	Marissa Walters	Petrotech	9/22/2014
E-mail Address mwalters@gmtexploration.com			

K2

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn A"
T. Salt	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates 4245	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers	T. Devonian	T. Cliff House	T. Leadville
T. Queen	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres	T. Simpson	T. Mancos	T. McCracken
T. Glorieta	T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger	Base Greenhorn	T.Granite
T. Blinebry	T. Gr. Wash	T. Dakota	
T.Tubb	T. Delaware Sand 5780	T. Morrison	
T. Drinkard	T. Bone Springs 8650	T.Todilto	
T. Abo	T.	T. Entrada	
T. Wolfcamp	T.	T. Wingate	
T. Penn	T.	T. Chinle	
T. Cisco (Bough C)	T.	T. Permian	

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 3, from.....to.....

No. 2, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology

GMT Exploration Company **Well Bore Schematic - Not to Scale - Horizontal Well**

Well Name : Merchant Livestock 30 State 2H
API No. : 30-025-41676
OGRID No. : 260511
Property Code : 40407
Surface Location : 40' FNL & 2260' FWL
S/T/R : 30-22S-35E
Field : Ojo Chiso; Bone Spring South
Pool Code : 97293
County : Lea
State : New Mexico

Spud Date : 6/8/2014
Completion Date : 7/17/2014
G.L. Elevation : 3550
K.B. Elevation : 3569
Diagram Date : 9/16/2014
Revisions : WL

Casing Design

Type	Hole Size	Csg Size	Weight	Grade	Depth	Jts.	Cementing Details
							Lead: Class "C", 855 sx, 12.9 ppg, 15.4 gal/sk. Additives: 2% D046 Anti Foamer, 3 pps D042 Kolite, 1% CaCl2, 0.125 pps D Tail: Class "C", 450 sx, 14.8 ppg, 6.32 gals/sk. Additives: 1%
Surface	17 1/2	13 3/8	54.5	J-55	1807	41	Lead: Class TXI LITEWEIGHT, 200 sx, 12 ppg, 14.7 gals/sk. At Cement, 5% Salt, 3% D020 Gel, 5 pps D042 Kolite, 0.1% D0 0.2% D046 Antifoam and 0.125 pps Ta sx, 12.8 ppg, 7 gals/sk. Additives: .2% D046 Anit-Foam, 0.1 Flake
Intermediate	11	8 5/8	32	J55 & HCK-55	5416	134	Lead: 600 sx, 11.8 ppg, 14.65 gals/sk. Additives: 42 pps D0 Extender cont'g, 5% salt, 10% gel, 0.5% D207 FLA, 3 pps Koli Flake, 0.2% D046 Anti Foamer, 0.1% D208 Viscosifer, 0.6% Tail: 100 sx, 13.5 ppg, 7.98 gals/sk. Additives: cont'g 1.5% D agent, 0.2% D046 Anti Foamer, 0.8% D800 Retarder, 0.5% D 0.1% D208 Viscosider.
Production	7 7/8	5 1/2	20	P110	15995	368	

Tubing String Design

Size	Weight	Grade	No. of Jts	Length	Depth	Type

End of Tubing
 Seating Nipple
 TAC
 Gas Sep ID
 Gas Sep OD
 Desander ID
 Desander OD

Rods String Design

Rods	Length	Item

Kick off Point 10,787 MD 10,787 TVD
 Lateral TD 15,995 MD 11,375 TVD
 Float Collar 15,971 MD

See Frac Details Tab for Stimulation