

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

HOBBES OGD
 SEP 29 2016
 RECEIVED

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

WELL API NO. 30-025-34982
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-1040-14
7. Lease Name or Unit Agreement Name Tin Cup 25 State
8. Well Number 1
9. OGRID Number 206511
10. Pool name or Wildcat Delaware
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3426' GR

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
GMT Exploration Company

3. Address of Operator
1560 Broadway Suite 200, Denver, CO 80222

4. Well Location
 Unit Letter M : 660 feet from the South line and 660 feet from the West line
 Section 25 Township 22S Range 34E NMPM County Lea

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
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 checked="" type="checkbox"/> Begin Disposal		OTHER: <input checked="" type="checkbox"/> Step rate test results	

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.

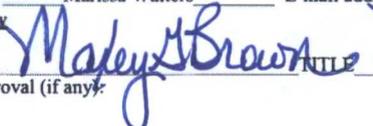
GMT commenced operations on this location on 08-12-2016. The objective was converting the Tin Cup from permanent abandoned status to a salt water disposal well. After drilling out plugs, conditioning the hole and running in casing on 08-18-2016, operations cemented the string in place up into the interlock. Plan was to tie into the existing 9- 5/8" casing, 5039'. Due to considerable lost returns of ~340bbl cement, interlock was not achieved. Retainer was then set at 5090' and casing was perforated, cement squeezed, returns were noted at surface. Per Mr Maxie Brown and Phillip Goetz with NMOCD, this was the commission's preferred completion. Initial CBL indicating pre-squeeze top of cement, the daily report, and pressure test are included herein. Please direct any questions with respect to this submittal to Keith Kress and/or Marissa Walters.

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  TITLE Petrotech DATE 9/28/16

Type or print name Marissa Walters E-mail address: mwalters@gmtexploration.com PHONE: 303.586.9275

APPROVED BY:  TITLE Dist. Supervisor DATE 9/29/2016

Conditions of Approval (if any):

HOBBS

District I
1645 N. French Dr., Hobbs, NM 88340
Phone: (505) 793-4161 Fax: (505) 793-0720

SEP 29 2016

RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name <i>GMI Exploration</i>	API Number <i>30-005-34982</i>
Property Name <i>Tin Cup 25 State</i>	Well No. <i>1</i>

UL - Lot	Section	Township	Range	Feet from	N/S Line	Feet From	E/W Line	County
<i>M</i>	<i>25</i>	<i>22S</i>	<i>34E</i>	<i>660</i>	<i>S</i>	<i>660</i>	<i>W</i>	<i>LJA</i>

Well Status

TA'D WELL	SHUT-IN	INJ	INJECTOR	SWD	OIL	PRODUCER	GAS	DATE
YES	NO <input checked="" type="checkbox"/> YES <input checked="" type="checkbox"/>	NO						<i>8/31/16</i>

OBSERVED DATA

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Case	(E)Tubing
Pressure	<i>0</i>	<i>—</i>	<i>—</i>	<i>0</i>	<i>0</i>
Flow Characteristics					
Puff	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	CO2 <i>—</i>
Steady Flow	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	WTR <i>—</i>
Surges	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	GAS <i>—</i>
Down to nothing	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	Type of Fluid Injected for Waterflood if applicable
Gas or Oil	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	
Water	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

Signature:	OIL CONSERVATION DIVISION
Printed name:	Entered into RBDMS
Title:	Re-test
E-mail Address:	
Date: <i>8/31/16</i>	Phone:
Witness: <i>[Signature]</i>	

*RBDMS ✓
MJB*

SIERRA HAMILTON		GMT Exploration																
Start Date	7/30/2016	Well Name	Tin Cup 25 # 1 SWD			State	NM	County	Lea									
Today's Date	8/24/2016	Field Name	Antelope Ridge Atoka Gas			KB	18	GL Elev	3921									
Supervisor	M. Maraschick	Location Legal	660 FSL & 660 FWL Sec 25 - T22S - R34E				TD	P & A										
Phone Number	432-348-4892	AFE or Plan No.	403090-16-01	Objective Formation	Brushy Canyon	Last Csg @	6,864											
Report Number	12	Completion / Workover Rig	F.S Trucking			Yd Phone #												
Completion		Procedure or Plan																
Recompletion																		
Workover	X	Re - Enter Plugged an Abandoned well. To convert to Brushy Canyon Disposal																
Conversion																		
Service Job																		
Activity Description																		
From	To	HRS	Activity Description															
6:00	7:00	1.00	5:00 - 7:00 Drive To Location															
7:00	9:45	2.75	Rig Up Cement Trucks And SQZ Manifold Circ Hole With Reverse Unit															
9:45	11:00	1.25	Test Csg Tubing And CR Seals And Function - Test Good, Apply 1000 Psi To Annular Space Between 5.5 Csg ID And															
11:00	11:00	0.00	2 7/8 OD - Will Maintain This Pressure Through Cement SQZ Job															
11:00	13:00	2.00	Pump Cement SQZ Job With 20 BFW Ahead Followed By 620 Sx Lead Cement 50/50 POZ Contg: 7% Gel 3% Salt 5 LB/SX															
13:00	13:00	0.00	Kol Seal .08% CPT-45 .05% CPT-19 .04% CPT-503P And .10% CPT-20 Followed By 100 Sx Tail Class C Contg: .20% CPT															
13:00	13:00	0.00	19 Displaced With 28 BFW Stop Pumps Sting Out Of CR And Reverse Circ 44 BFW Up Tubing - 1.5X's Cap															
13:00	13:00	0.00	Sting Out @ 1:00 PM 8-24-16															
13:00	15:00	2.00	POOH With Tubing And L/D CR Running Tool															
15:00	18:00	3.00	Strap 10 3.5" DC's 4.75 Bit And Bit Sub RIH With Same And 10 Stds Of Tubing From Derrick															
18:00	20:00	2.00	SIW Shut Down Opps For Day To WOC - Drive In From Location															
			620 Sx Lead cmt @ 2.33 yd & 11.9 ppg															
			100 Sx Tail cmt @ 1.33 yd 14.8 ppg															
			Circulate 80 sx to surface															
			Final pressure before sling out of CR was 1850 psi															
			NMOCD Maxey Brown informed of these results on 8-24-16. Indicated only requirement needed was 500 psi test															
14.00	TOTAL HOURS		Accidents				Cost Data											
Work String																		
DP or Tubing ?	Vendor	Size	Wt	Grade	Conn	On Loc	Bad Jts	Jts In Hole	Footage	Last Inspection Date								
N80 TBG	NOVA	2.875	6.5	N80		228	0			unknown								
Bit Information																		
Bit Condition																		
NO	Bit Type	Size	MFG	IADC	Serial No	JETS	In	Out	Drilled Ftg	Hours	ROP	I	O	DC	L	B	G	RP
1	GT-SG1	8 1/2			H2154100				0		0.0	1	1	ND	A	7	IN	TD
									0		0.0							
									0		0.0							
Safety Meetings																		
Bottom Hole Assembly																		
Tubing Detail																		
1	Byrd Csg And LD		BHA No		1	Depth In		5,000	Jts	Length	Item							
2	Crest Pumping		Jts	Item	OD	ID	Length											
3			8.5 BIT		8.50		0.67											
4			BIT SUB		5.64	1.87	1.45											
5			10 DCS		3.13	1.69	310.20											
6			TOP SUB		2.00	2.00												
7																		
PUMP DATA	Type	Duplex	Triplex	FLOW RATE ↓	Below KB													
	Mfg and Make		N340		Final Landing Depth													
	Liner		4.00		0	0.00												
	Stroke		10.00		Rod Detail													
	Rod Size		NA		Jts	Length	Item											
	% Efficiency		90															
	Spm		100															
	Bps	0.000	0.035															
	Gps	0.000	1.470															
	Bpm	0.00	3.50															
Gpm	0	147	Total GPM	Air wt	Bouyed	BHA Length												
						314.32												