

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. 30-025-12485
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 W W Hamilton A
8. Well Number 2
9. OGRID Number 17213
10. Pool name or Wildcat Knowles; Devonian
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3710' GL

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 SWD

2. Name of Operator
PENROC OIL CORPORATION

3. Address of Operator
PO BOX 2769, HOBBS, NM 88241

4. Well Location
 Unit Letter I : 1980 feet from the South line and 660 feet from the East line
 Section 34 Township 16S Range 38E NMPM Lea County

HOBBS OCD
 NOV 08 2016
 RECEIVED

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 checked="" 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"/>	

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.

Penroc Oil Corporation acquired this well along with one other SWD plus 2 producers (Devonian) offsets. The Devonian wells are on high lift equipment due to the nature of water drive reservoir. Combined the two producers make 40 bopd and 2100 bwpd. The captioned well is needed as a potential SWD for future SWD needs, if current SWD fails beyond repairs or incapable of disposing of SWD, hence plugging of 40 bopd- loss of revenues to all parties. It is proposed to set a composite plug @ 12,300' w/ 35' cement on top. Well is currently an approved SWD, but inactive (SWD order #1261), *However, a new administrative application will be submitted in the near future (after partner approval).*

**Condition of Approval: notify
 OCD Hobbs office 24 hours
 prior of running MIT Test & Chart**

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 *M.Y. Merchant* TITLE President DATE 11/07/2016

Type or print name M.Y. Merchant E-mail address: _mymerch@penrocoil.com PHONE: _575-492-1236

For State Use Only
 APPROVED BY: *Mary Brown* TITLE *Dist Supervisor* DATE *11/8/2016*
 Conditions of Approval (if any):

MB

PROPOSED WELLBORE SCHEMATIC AFTER *QTRP OR COMPOSITE*

FORM	DEPTH	COMPLETION SCHEMATIC	SWD	APINUM: 30-025-12485																								
				OPERATOR: MAS OPERATING CO																								
				LEASENAME: W W HAMILTON A WELL NO. 2																								
				SURF LOC: UL: 1 SEC: 34 TWN: 16S RNG: 38E																								
				1980 FSL 660 FEL																								
				TD 12560 PBD KB DF																								
				GL																								
				POOL OH 12450-12560																								
				KNOWLES; DEVONIAN PERFS 12360-12412 sqz w/ cmnt																								
				POOL OH 12450-12560																								
				SWD; DEVONIAN																								
				SPUD 09/30/1953 COMP 12/22/1953																								
				CASING RECORD																								
				<table border="1"> <thead> <tr> <th></th> <th>SIZE</th> <th>DEPTH</th> <th>CMT</th> <th>HOLE SIZE</th> <th>TOC</th> </tr> </thead> <tbody> <tr> <td>SURF.</td> <td>13.375</td> <td>299</td> <td>200 sxs</td> <td>17.5"</td> <td>0' CIRC</td> </tr> <tr> <td>INT1</td> <td>8.625</td> <td>4800</td> <td>1500 sxs</td> <td>11"</td> <td>2159 TS</td> </tr> <tr> <td>PROD.</td> <td>5.5</td> <td>12450</td> <td>600 sxs</td> <td>7.875"</td> <td>8812 TS</td> </tr> </tbody> </table>		SIZE	DEPTH	CMT	HOLE SIZE	TOC	SURF.	13.375	299	200 sxs	17.5"	0' CIRC	INT1	8.625	4800	1500 sxs	11"	2159 TS	PROD.	5.5	12450	600 sxs	7.875"	8812 TS
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INT1	8.625	4800	1500 sxs	11"	2159 TS																							
PROD.	5.5	12450	600 sxs	7.875"	8812 TS																							
Rustler	2080																											
Top Salt	2170		TOC @ 2159 TS																									
Base Salt	3050																											
Yates	3220																											
Queen																												
				8 5/8 @ 4800 TOC @ 2159'																								
San Andres	5082																											
Glorieta	6421																											
Tubb	8087																											
Abo	8585		TOC @ 8842' TS																									
Wolfcamp	9150		Perfs 9472-9580 SQZ w/ Cmnt																									
			Perfs 10260-10320 SQZ w/ Cmnt																									
Miss	11540																											
Woodford	12270																											
Devonian	12338		Perfs 12360-12412 SQZ w/ Cmnt																									
				<i>COMPOSITE OR CIRP @ 12,300' w/ 35' cement</i>																								
				5 1/2 @ 12450 TOC @ 8812'																								
				TD 12560'																								
				PREPARED BY: _____																								
				UPDATED <i>11/7/16</i>																								