

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

Form C-103  
 Revised July 18, 2013

**HOBBS OGD**  
**DEC 22 2016**  
**RECEIVED**

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

**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 LLC**

3. Address of Operator  
**1560 Broadway, Suite 2000 Denver Co 80202**

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

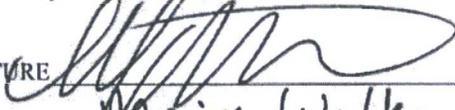
<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	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: <b>STEP RATE TEST</b> <input checked="" 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.

**Please see attached for GMT's proposed Step Rate Test Procedure on the above SWD.**

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 **Company Rep** DATE **9/1/16**  
 Type or print name **Marissa Walters** E-mail address: **mwalters@gmt-exploration.com** PHONE: **3035869275**  
**For State Use Only**  
 APPROVED BY:  TITLE **Petroleum Engineer** DATE **12/2/16**  
 Conditions of Approval (if any):

GMT Exploration proposes to perform the step rate test as per the following conditions:

- A.) Maximum anticipated injection rate is 2 bbls/minute
- B.) The operator plans on using these rates for the test.
  - a. 5% of 2 bbls/min = .1bbl/min
  - b. 10% of 2 bbls/min = .2 bbls/min
  - c. 20% of 2 bbls/min = .4 bbls/min
  - d. 40% of 2 bbls/min = .8 bbls/min
  - e. 60% of 2 bbls/min = 1.2 bbls/min
  - f. 80% of 2 bbls/min = 1.6 bbls/min
  - g. 100% of 2 bbls/min = 2 bbls/min
- C.) The formation permeability is estimated as 100 MD, therefore each pump in step will last for 20 minutes.