

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

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.)		WELL API NO. <u>30-25-34982</u>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <u>GMT Exploration Company LLC</u>		6. State Oil & Gas Lease No. <u>B-1040-14</u>
3. Address of Operator <u>1560 BROADWAY, SUITE 2000 DENVER CO 80202</u>		7. Lease Name or Unit Agreement Name <u>TIN CUP 25 STATE</u>
4. Well Location Unit Letter <u>M</u> : <u>660'</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>WEST</u> line Section <u>25</u> Township <u>22S</u> Range <u>34E</u> NMPM County <u>LEA</u>		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>GL 3426</u>		9. OGRID Number <u>206511</u>
		10. Pool name or Wildcat

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: <u>STEP RATE TEST</u> <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: [Signature] TITLE: Company Rep DATE: 9/1/16
 Type or print name: Marissa Walters E-mail address: MWalters@gmt-exploration PHONE: 3035869275
For State Use Only

APPROVED BY: [Signature] 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.