

Submit 3 Copies To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103 Revised March 25, 1999

District I 1625 N. French Dr., Hobbs, NM 88240
District II 1301 W. Grand Ave., Artesia, NM 88210
District III 1000 Rio Brazos Rd., Aztec, NM 87412
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION 2220 South St. Francis Dr. Santa Fe, NM 87505

RECEIVED SEP 20 2002 OCD - ARTESIA

WELL API NO. SRM-1176-2582 30-005-60417

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 [X] Other []
2. Name of Operator: Slayton Resources, Inc.
3. Address of Operator: P.O. Box 2035, Roswell, NM 88202-2035
4. Well Location: Unit Letter C, 660 feet from the N line and 1980 feet from the W line, Section 17, Township 14S Range 28 E NMPM Chaves County

5. Indicate Type of Lease: STATE [] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Banhill Federal #1
8. Well No. #1
9. Pool name or Wildcat Grayburg

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

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

PERFORM REMEDIAL WORK [] PLUG AND ABANDON [X]
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPLETION []
OTHER: []

SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT []
CASING TEST AND CEMENT JOB []
OTHER: []

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

MIRU. Install BOP
Spot 20 sks @ 1594' - 1394'.
Circulate 9.5# mud.
Perf 301'.
Spot 20 sks 301' to 201'.
Spot 10 sks 60' to surface.
Set dry hold marker and level location.

Please note this must be submitted to the BLM on a Sundry notice for approval.

hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: [Signature] TITLE: Operator DATE: 8-16-02

Type or print name: This space for State use) Telephone No.

APPROVED BY: TITLE: DATE: SEP 16 2002

Conditions of approval, if any:

Handwritten initials and date: 015K 02

Approved record - NMOCD