

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30-005-61804-0000

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
LG-9050

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.)

7. Lease Name or Unit Agreement Name

Aikman State

1. Type of Well:
OIL WELL GAS WELL OTHER

8. Well No.
#1

2. Name of Operator
McKay Oil Corporation

9. Pool name or Wildcat
Pecos Slope Abo

3. Address of Operator
P.O. Box 2014, Roswell, NM 88202

4. Well Location
Unit Letter P : 660 Feet From The South Line and 660 Feet From The East Line
Section 36 Township 6S Range 26E NMPM Chaves County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3847'

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK PLUG AND ABANDON

REMEDIAL WORK ALTERING CASING

TEMPORARILY ABANDON CHANGE PLANS

COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT

PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

OTHER:

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.

McKay Oil Corporation plans to plug and abandon this well as follows:

1. Set COBP @ 4610'.
2. Set 5 sks cement plug 4610' to 4585', approx. 35'.
3. POH
4. Cut 4-1/2" @ 4555'.
5. Set 25 sks cement plug across 4-1/2" stub 4600' to 4555'.
6. WOC - tag plug. * 25 sk cement plug 1850' - 1750'.
7. Set 50 sks cement plug across 8-5/8" shoe 1077' to 980'.
8. WOC - tag plug. * 1127'.
9. Set 30 sks cement plug 100' to surface.
10. Install Dry Hole marker and clean location.

* Brine gel between all cement plugs. Notify NMOC's re witness plugging operations.
McKay anticipates this well to be plugged and abandoned on or before July 31, 1998.

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

SIGNATURE Bill J. Milstead TITLE Vice President DATE 6-9-98

TYPE OR PRINT NAME Bill J. Milstead TELEPHONE NO. 623-4735

(This space for State Use)

APPROVED BY Mike Swartz TITLE Field Rep. II DATE June 11, 98

CONDITIONS OF APPROVAL, IF ANY: