Submit 3 Copies to Appropriate District Office

CONDITIONS OF APPROVAL, IF ANY:

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

OIL CONSERVATION DIVISION DISTRICT I P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 2040 Pacheco St. 30-045-29645 Santa Fe. NM 87505 DISTRICT II Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 STATE FEE DISTRICT III State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 And the first of the state of t SUNDRY NOTICES AND REPORTS ON MED ST Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT 1 Gallegos Com (FORM C-101) FOR SUCH PROPOSALS.) Type of Well: WELL «Well No. ²Name of Operator Cross Timbers Operating Company 6F Pool name or Wildcat Address of Operator 6001 Highway 64, Farmington, NM 87401 Basin Dakota 4Well Location East North 1450 1700 Feet From The ___ ___ Feet From The _ Unit Letter 11W County 32 Section Range Township 10Elevation (Show whether DF, RKB, RT, GR, etc.) GR 6216' Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11 SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: PLUG AND ABANDON ALTERING CASING REMEDIAL WORK PERFORM REMEDIAL WORK PLUG AND ANBANDONMENT COMMENCE DRILLING OPNS. TEMPORARILY ABANDON CHANGE PLANS CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** OTHER: Running 4-1/2" production casing OTHER: 12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. Drilled 7-7/8" hole to 6184', TD, 10/26/98. RU and ran new 4-1/2", 10.5#, J-55, STC casing and set @ 6183', DV tool @ 2477'. RU Dowell/Schlumber and cemented in two stages. First Stage: 925 sx CI B cement w/3% D79 & 1/4#/sx Celloflake followed w/160 sx CI B cement w/5#/sx salt & 1/4#/sx Celloflake. Displaced w/98 bbls mud and water. Plug down @ 11:30 p.m., 10/26/98 w/929 psig. Did not bump plug. Float held OK. DVT opening bomb hung in cmt'g head. Removed cmt'g head & dropped bomb. DVT opened & circulated hole until BOP/flowline plugged w/cmt from first stage. Lost circulation. Mixed & pumped 400 bbls LCM laden mud w/no returns. Second Stage: Pumped 100 sx CI B cement w/5#/sx salt & 1/4#/sx Celloflake. Displaced w/38 bbls fresh water. Did no bump plug. Plug down @ 1:00 p.m., 10/27/98 w/1100 psig w/no returns. DVT remained shut in w/1000 psig on casing for 4 hrs. Released pressure. Set slips and cut off casing. ND BOP and released rig @ 12:01 a.m., 10/28/98. RoPort CMT TOP I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Drilling/Operations Manager DATE 10-29-98 SIGNATURE TELEPHONE NO. 505/632-5200 TYPE OR PRINT NAME Bobby L. Smith (This space for State Use) DEPUTY OIL & GAS INSPECTOR, DIST. #3 ORIGINAL SIGNED BY CHARLIE T. PERRIN APPROVED BY