

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

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

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

**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO.
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name  Rio Chama
8. Well No. 1
9. Pool name or Wildcat Wildcat

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator Heyse Oil, Inc.	
3. Address of Operator 212 College Park Dr. #4, Normal, IL 61761	
4. Well Location Unit Letter J : 2,200 Feet From The South Line and 1,525 Feet From The East Line Section 2 Township 30N Range 3E NMPM Rio Arriba County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 7980 GL	

11. 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"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
OTHER: <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

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.

1. Commenced operations during 2nd week of January, 1989 following repairs on rig engine, found drill pipe stuck, took one day to get loose, then drilled 5 feet, penetration stopped, tripped pipe out, discovered that all carbides except for one had fallen out, tripped in new tricone bit, cratered that bit and three other bits on carbides still in the hole. Picked up fresh water at 330 feet, drilled to 350 feet.

2. Fished most carbides out with magnet then started drilling again, water increased. Drilled to 400 feet, rig hydraulic system broke down, shut down 3 days for repairs, then drilled to 660 feet all the while water had increased, found further drilling impossible due to limited air on the rig.

3. Decided to quit the well and turn it over to the land owner for livestock water well.

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

SIGNATURE Todd R. Heyse TITLE President DATE 2/3/90  
(309)  
TYPE OR PRINT NAME Todd Heyse TELEPHONE NO. 454-8098

(This space for State Use)

APPROVED BY Original Signed by FRANK T. OLIVEZ TITLE ADMINISTRATIVE DISTRICT III DATE 2-8-90  
CONDITIONS OF APPROVAL, IF ANY: