

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.

30-039-25192

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

### 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 ☒

OAS  
WELL ☐

OTHER ☐

2. Name of Operator

DEKA Exploration, Inc.

3. Address of Operator

P.O. Box 14057 Oklahoma City, OK 73113

4. Well Location

Unit Letter H : 1700' Feet From The North Line and 340' Feet From The East Line

Section 23

Township 32

Range 2 East

NMPM Rio Arriba

County

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

8742' GR

11.

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

#### NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: Well problems and Plug back ☐

#### 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.

Please see attached letter

**RECEIVED**  
SEP 30 1992  
OIL CON. DIV  
DIST. 3

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

SIGNATURE James L. Nondorf TITLE President DATE 8-5-92

TYPE OR PRINT NAME James L. Nondorf TELEPHONE NO 749-0004

(This space for State Use)

APPROVED BY Original Signed by CHARLES GHOLSON

DEPUTY OIL & GAS INSPECTOR, DIST. #3

TITLE SEP 30 1992

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED  
SEP 28 1992  
OCD HOBBS OFFICE

RECEIVED  
SEP 28 1992  
OCD HOBBS OFFICE

This well was drilled on a legal location to test the Niobrara. Our surface location was on the side of a hill and, thus, we were very restricted as to where we could locate it. We drilled to a depth of 1707' and ran a downhole survey. This survey showed us to be going in an eastwardly direction from the borehole. At the survey we were at 2 1/4° and were 18.5 feet east of our vertical location. This placed us 311.5 feet from our east line. By projecting continuing at this rate, we anticipated being around 200 feet from the east line at T.D. Thus, we plugged back to 900 feet and directionally drilled the well back to the west southwest in order to be legal and also in order to have a straight enough hole to produce the well if productive.

Upon drilling with a motor, it was quickly apparent that we were having a terrible time keeping the hole from drilling back to the east. In fact, it got so slow that it was questionable as to whether we could hold the hole at all, and even more questionable as to whether we would be able to produce it. Therefore, we contacted the Energy and Minerals Department of New Mexico and explained our dilemma to them. We also explained that we had greatly exceeded our A.F.E. costs at this point and were not even close to finishing the hole. They informed us, at that time, that we could go ahead and finish the hole, trying to keep it as straight as possible.

We then continued drilling and set our production casing to 1946 feet (corrected to 1928 feet off of Electric Logs). We drilled the hole to 2450 feet as our Total Depth and stopped and attempted two times to run Eastman Directional Survey. They could not get their directional through the Monel Collar and changeover sub. We then contacted Mr. Charles Gholson with the New Mexico Energy and Minerals Department and explained our problem. We told him that we would like to run a Standard Deviation Survey and plot our target area based on the known directional reading to 1000 feet and give them a worst case scenario based on deviation surveys to 2450 feet. Attached are copies of the Eastman Reports to back up our bottom hole location.

We then called Charles Gholson and reported our findings and problems; he called back and granted our variance.

Our bottom hole location ended up 273 feet west of the east section line.

# SURVEY CALCULATION AND FIELD WORKSHEET

| COMPANY            |           |            | WELL NO            | TARGET TVD         | MAGN DECLINATION                               | MAGN TO MAP CORR.              | CALCULATION METHOD   |                   |      |                      |           |        |          |
|--------------------|-----------|------------|--------------------|--------------------|--|--------------------------------|--|-------------------|------|----------------------|-----------|--------|----------|
| DEKA Expl. Co.     |           |            | QUINLAN RANCH #1   |                    | 11° East                                       |                                | R.O.C  |                   |      |                      |           |        |          |
| RIG: CONTRACTOR    |           |            | TARGET DIRECTION   | SLOT COORDINATES   | GRID CORRECTION                                | VERT. SEC. ALONG               | ALL DEPTHS MEASURED  |                   |      |                      |           |        |          |
| UNITED DRILL #1    |           |            | 270 (WEST)         |                    |  |                                | FROM RKB <input checked="" type="checkbox"/> RSL <input type="checkbox"/> SS <input type="checkbox"/>    |                   |      |                      |           |        |          |
| FIELD              |           |            | TARGET COORDINATES | TARGET DESCRIPTION | MAP CORRECTION TO                              | UTM <input type="checkbox"/>   | BUILD - DROP WALK RATES  |                   |      |                      |           |        |          |
| R/O ANNE'S CO. U.M |           |            |                    |                    | TRUE NORTH <input checked="" type="checkbox"/> | OTHER <input type="checkbox"/> | PER 100 FT <input checked="" type="checkbox"/> 30M <input type="checkbox"/> 10M <input type="checkbox"/> |                   |      |                      |           |        |          |
| DATE               | SURV TYPE | SURV DEPTH | INCL. ANGLE        | HOLE DIRECTION     | GRS LENGTH                                     | TRUE VERTICAL DEPTH            | VERTICAL SECTION   | TOTAL COORDINATES | DIS  | RIP RATE BUILD: DROP | WALK RATE | BHA NO | COMMENTS |
| 7-18-92            | S/S       | 803        | 11/2               | 236                | 526W   | 802.91                         | 757  | 403               | -    | 757                  | 19        |        |          |
| 7-14-92            |           | 864        | 23/4               | 142                | 512W   | 863.87                         | 881  | 220               | -    | 881                  | 323       |        |          |
|                    |           | 884        | 31/2               | 170                | 518E   | 883.84                         | 883  | 111               | -    | 883                  | 3701      |        |          |
|                    |           | 904        | 41/2               | 163                | 518E   | 903.79                         | 850  | 24                | -    | 850                  | 552       |        |          |
| 7-20-92            |           | 924        | 51/4               | 148                | 512E   | 923.71                         | 807  | 189               | -    | 807                  | 431       |        |          |
|                    |           | 944        | 51/2               | 181                | 51W  | 943.63                         | 790  | 315               | -    | 790                  | 620       |        |          |
| 7-20-92            | S/S       | 964        | 41/2               | 187                | 52W  | 963.55                         | 802  | 549               | -    | 802                  | 564       |        |          |
|                    |           |            | DRIFF              |                    | SHOTS ASSUME N90E DIR                          |                                |  |                   |      |                      |           |        |          |
|                    |           | 1106       | 33/4               |                    |  |                                |  |                   |      |                      |           |        |          |
|                    |           | 1347       | 1°                 |                    |  |                                |  |                   |      |                      |           |        |          |
|                    |           | 1746       | 21/2               |                    |  |                                |  |                   |      |                      |           |        |          |
|                    |           | 1946       | 3°                 |                    |  |                                |  |                   |      |                      |           |        |          |
|                    |           | 2415       | 51/4               | N90E               |  | 2412.28                        | -63  | H/S               | 1226 | E                    | 6347      | 045    | +0.49    |
|                    |           |            | PROJECT TO 2450    |                    |  |                                |  |                   |      |                      |           |        |          |
|                    |           | 2450       | 542°               | N90E               |  | 2447.13                        | -66  | 725               | 1226 | E                    | 66        | 72049  |          |

PAGE \_\_\_\_ OF \_\_\_\_

100

**WHITE - DISTRICT**

**YELLOW - CUSTOMER**

**PINK - DIRECTIONAL DRILLER**

**MEERSTMAN  
CHRISTENSEN**

# SURVEY CALCULATION AND FIELD WORKSHEET

COMPANY **DEKA EXPL. INC.**  
WELL NAME & NO. **UNITED DRILL #1**  
**QUILLAN RANCH #1**

| DATE | SURV TYPE | SURVEY DEPTH | INCL. ANGLE | HOLE DIRECTION | CASE LENGTH | TRUE VERTICAL DEPTH | VERTICAL SECTION | TOTAL COORDINATES |             | BUILD RATE BUILD/DROP (-) (+) | WALK RATE R (+) L (-) | BHA No. | COMMENTS |
|------|-----------|--------------|-------------|----------------|-------------|---------------------|------------------|-------------------|-------------|-------------------------------|-----------------------|---------|----------|
|      |           |              |             |                |             |                     |                  | N (+) S (-)       | E (+) W (-) |                               |                       |         |          |
|      |           |              |             |                | ASSUME      |                     | N00E DIRC        |                   |             |                               |                       |         |          |
|      |           | 2415         | S14         | N00E           |             | 2212.28             | + 1476           | N4874W14          | 76059       | +059                          |                       |         |          |
|      |           |              |             | PROJECT        |             | TO 2450' MD         |                  |                   |             |                               |                       |         |          |
|      |           | 2450         | S42         | N00E           |             | 2247.98             | + 1476           | N5204W14          | 76          |                               |                       |         |          |
|      |           |              |             |                | ASSUME      |                     | S00E DIRC        |                   |             |                               |                       |         |          |
|      |           | 2415         | S14         | S00E           |             | 2412.28             | + 864            | S 8118W           | 864049      | TO 49                         |                       |         |          |
|      |           |              |             | PROJECT        |             | TO 2450' MD         |                  |                   |             |                               |                       |         |          |
|      |           | 2450         | S42         | S00E           |             | 2447.13             | + 864            | S 8443W           | 864         |                               |                       |         |          |
|      |           |              |             |                | ASSUME      |                     | N90W DIRC        |                   |             |                               |                       |         |          |
|      |           | 2415         | S14         | N90W           |             | 2412.28             | + 805            | S 1168W           | 8052049     |                               |                       |         |          |
|      |           |              |             | PROJECT        |             | TO 2450' MD         |                  |                   |             |                               |                       |         |          |
|      |           | 2450         | S42         | N90W           |             | 2447.13             | + 837            | S 1168W           | 8377        |                               |                       |         |          |

*M. W. L.*

EC DIRECTIONAL DRILLER

WHITE - DISTRICT

YELLOW - CUSTOMER

PINK - DIRECTIONAL DRILLER

PAGE **2** OF **3**