

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. 30-045-27706
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 Yager B6
8. Well No. 20
9. Pool name or Wildcat Basin Fruitland Coal

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	2. Name of Operator Hallwood Petroleum, Inc.
3. Address of Operator P.O. Box 378111, Denver, CO 80237	4. Well Location Unit Letter <u>B</u> : <u>980'</u> Feet From The <u>North</u> Line and <u>1,850'</u> Feet From The <u>East</u> Line Section <u>20</u> Township <u>32N</u> Range <u>6W</u> NMMP San Juan County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>6491' KB</u> <u>6479' GL</u>	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <u>Section Mill & Cavitate Coal</u> <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <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.

Estimate Start Date 10-20-97. Estimate Completion Date 11-14-97.

Hallwood proposes to workover the subject Basin Fruitland Coal well in an attempt to increase gas production. This workover will consist of "Section-Milling" the 5 1/2" casing away from 3025-3115', underreaming the "new-openhole" interval to 8 1/2" diameter, and cavitating the coal with air, foam and water. After this workover 2 7/8" tubing will be run back in the well and then the well will be returned to production.

RECEIVED
OCT 10 1997

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 Nonya K. Durham TITLE Production Rptg. Supv. DATE 10-7-97
TYPE OR PRINT NAME Nonya K. Durham TELEPHONE NO 303-8506257

(This space for State Use)

APPROVED BY ORIGINAL SIGNED BY ERNIE BUSCH TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE OCT 4 1997
CONDITIONS OF APPROVAL, IF ANY: