

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

Revised August 1, 2011

JUN 7 2013

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

HOBBS OCD

JUN 27 2013

RECEIVED

WELL API NO.

30-025-26562

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

543

7. Lease Name or Unit Agreement Name

LEA YH STATE

8. Well Number 3

9. OGRID Number

122912

10. Pool name or Wildcat

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator

K.C. Resources, Inc.

3. Address of Operator

P. O. Box 6749, Snowmass Village, CO 81615

4. Well Location

Unit Letter J : 1980 feet from the S line and 1980 feet from the E line

Section 25 Township 18S Range 34E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3964.5' GL, 3982.1' KB = 17.6' KB

12. 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 ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER:

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER:

☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Estimate date to start this well:

Notify OCD, Hobbs Office, 24 hours before moving in.

Plan 2 - Go out and turn on electricity and pumps to see if they work.

Evaluate to see if wells will produce.

If evaluation is no - shut wells in and notify OCD by way of intent forms to do remedial work.

NEAL BENSON (575) 393-6169 will be on site Saturday (6/29/13) to
set & balance horsehead unit, & test. If unit tests satisfactory
will return well to service.

Spud Date:

Rig Release Date:

The Oil Conservation Division
MUST BE NOTIFIED 24 Hours
Prior to the beginning of operations

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

SIGNATURE [Signature] TITLE Chief Financial Officer DATE 6/26/13

Type or print name James Spillane E-mail address: jspillane@crystalriveroil.com PHONE: 760-753-3330

For State Use Only

APPROVED BY: [Signature] TITLE DIETMAR DATE 7-1-2013

Conditions of Approval (if any):

JUL 02 2013