

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-11603
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: Langlie Mattix Queen Unit
8. Well No. 10
9. Pool name or Wildcat LANGLIE MATTIX;7RVRS-Q-GRAYBURG

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
 KELTON OPERATING

3. Address of Operator
 1510 HERITAGE BLVD, ANDREWS, TEXAS 79714-2309

4. Well Location
 Unit Letter C : 520 feet from the NORTH line and 2090 feet from the WEST line
 Section 15 Township 25S Range 37E NMPM LEA County

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

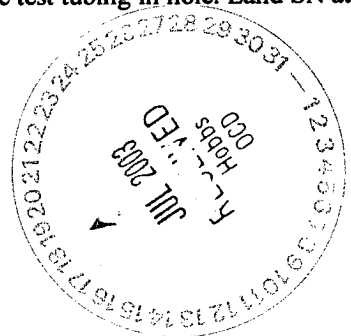
11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: RETURN WELL TO PRODUCTION <input checked="" 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

10-1-02 MIRU PU. POOH with rods and tubing. Found holes in bottom 3 joints and pump bad. Pressure test tubing in hole. Land SN at 3340' with 106 joints 2 7/8" tubing. Run pump and rods. Hang well on and put on pump.

11-7-02 Tested well for production for 24 hours - 1.4 BO, 21.6 BW, Gas - TSTM.



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

SIGNATURE C. Dale Kelton TITLE President DATE 7-17-2003

Type or print name C. Dale Kelton Telephone No. 432-524-6400
 (This space for State use) JUL 22 2003

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE _____
 Conditions of approval, if any: