

District I

Energy, Minerals and Natural Resources

May 27, 2004

District II

1625 N. French Dr., Hobbs, NM 88240

District III

1301 W Grand Ave., Artesia, NM 88210

District IV

1000 Rio Brazos Rd., Aztec, NM 87410

District V

1220 S St Francis Dr., Santa Fe, NM 87505

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FEB 24 2010
HOBSUCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-005-21123

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Presler Lake

8. Well Number #5

9. OGRID Number 009974

10. Pool name or Wildcat
Many Gates San Andres

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater >100' Distance from nearest fresh water well >2 miles Distance from nearest surface water >10 miles

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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FEB 18 2010
NMOCD ARTESIA

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
Hanson Operating Company, Inc.

3. Address of Operator
P. O. Box 1515, Roswell, NM 88202-1515

4. Well Location
Unit Letter D : 990 feet from the North line and 660 feet from the West line
Section 7 Township 9 South Range 30 East NMPM Chaves County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4058' GR

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.

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Plan to plug and abandon the well as follows:

- MIRU. Set cement tanks. Pull tubing, rods and pump.
- Circulate hole with +/- 75 barrels 10# brine and 12.5 ppb salt water gel.
- Set CIBP at 3150' with 35' cement cap.
- Perforate 4 squeeze holes at 950'.
- Spot 50 sack cement plug. Squeeze cement.
- Solid plug in and out of casing from 950'-850'. Tag plug.
- Pump solid 50 sack cement plug from 400' to surface.
- Clean and remediate location.
- Set Dry Hole Marker.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Carol J. Smith TITLE Production Analyst DATE 02/05/2010
Type or print name Carol J. Smith E-mail address: hanson@dfn.com Telephone No. 575-622-7330

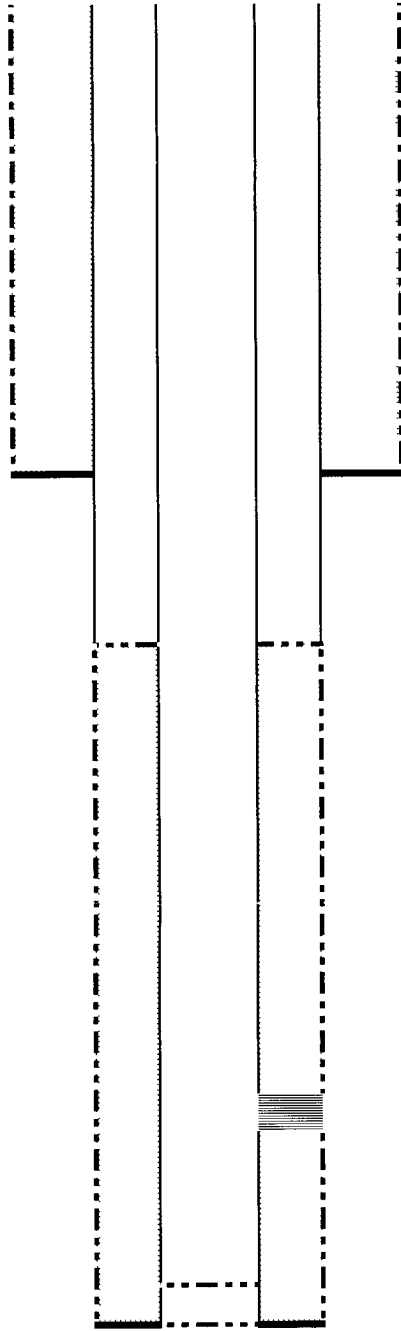
For State Use Only

APPROVED BY: [Signature] TITLE SUPV MGR DATE 3-24-10
Conditions of Approval (if any):

WELLBORE DIAGRAM

OPERATOR	Hanson Operating Company, Inc.		
WELL NAME	Presler Lake #5	FIELD	Many Gates San Andres
LOCATION	990' FNL & 660' FWL, D-Section 7-9S-30E, Chaves County, NM		
GL	4058'	ZERO	KB
SPUD DATE	1/8/1994	COMPLETION DATE	12/24/1994
COMMENTS:	API #30-005-21123		

12 1/4" Hole



CASING PROGRAM

8 5/8"	24#	900'
5 1/2"	15.5#	3306'

8 5/8" at 900' with 475 sacks cement circulated

BEFORE

TOC at 1650' CBL

7 7/8" Hole

San Andres

Perfs: 3229'-3284' 21 holes

PBTD at 3302'

5 1/2" at 3306' with 500 sacks cement

TD 3306'

Not to Scale
2/5/2010

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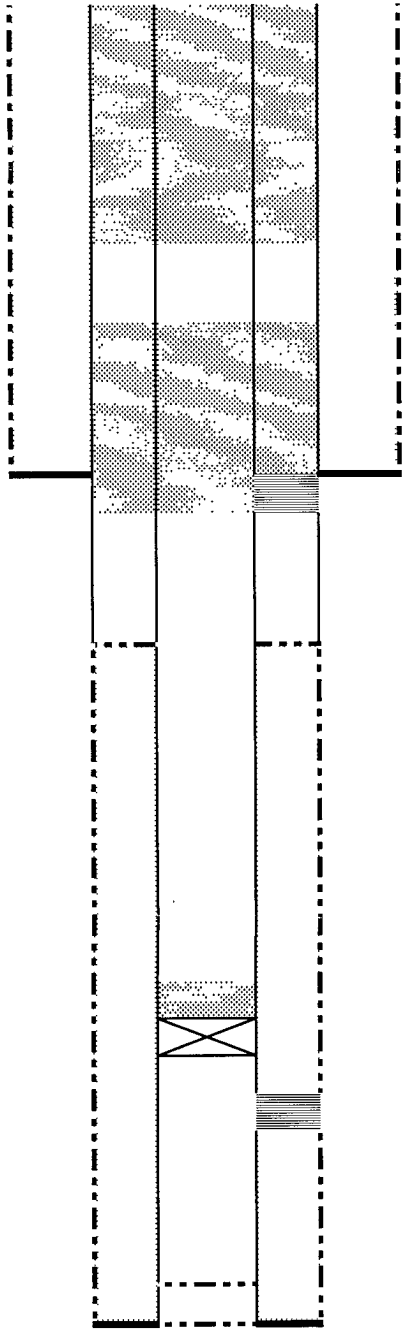
50 Sack Cement
Plug 400'-Surface

50 Sack Cement
Plug 950'-850'

7 7/8" Hole

CIBP at 3150'
35' Cement Cap

PBTD at 3302'



TD 3306'

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2/5/2010