

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

RECEIVED OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 JAN 10 2011 HOBBSUCD

WELL API NO. 30-025-03445 5. Indicate Type of Lease STATE [X] FEE [ ] 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name STATE 175 8. Well Number 001 9. OGRID Number 236183 10. Pool name or Wildcat Eumont, Yates-7 Pors-On

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 [X] Gas Well [ ] Other [ ] 2. Name of Operator TANDEM ENERGY CORPORATION 3. Address of Operator 11490 WESTHEIMER RD, STE. 1000 HOUSTON, TX 77077 4. Well Location Unit Letter I : 660 feet from the E line and 1980 feet from the S line Section 11 Township 21S Range 35E NMPM EDDY County 11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 [X] 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. 11/9/10 RIH AND SET CIBP @ 3804' - CIRCULATE PLUGGING MUD - SPOT 25 SACKS ON TOP 11/10/10 PERF AND SPOT 70 SACKS @ 3508 - TAG @ 3061 11/ 11/10 PERF @ 1700' - HELD SPOT 40 SACKS @ 1754' - TAG @ 1571' 11/11/10 PERF AND SPOT 50 SACKS @ 375' - TAG @ 189' 11/12/10 PERF AND SPOT 20 SACKS FROM 60' TO SURFACE INSTALL PA MARKER - CLEAN LOCATION

Approved for plugging of well bore only. Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.emnrd.state.nm.us/oed.

Spud Date: [ ]

Rig Release Date: [ ]

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

SIGNATURE Susan Felicity TITLE Production & Regulatory DATE 11-4-2011

Type or print name Susan Felicity E-mail address: sfelicetty@platenergy.com PHONE: (281) 649-4562 For State Use Only

APPROVED BY: [Signature] TITLE STAFF MGR DATE 1-11-2011 Conditions of Approval (if any):