

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 811 South First, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised March 25, 1999

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

WELL API NO. 30-025-35544
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 28026
7. Lease Name or Unit Agreement Name:  Palomino Midge "22" State Com
8. Well No. 1
9. Pool name or Wildcat Shoobar Atoka Gas
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 4000' GL

**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  
 David H. Arrington Oil & Gas, Inc

3. Address of Operator  
 P.O. Box 2071, Midland, Texas 79702

4. Well Location  
 Unit Letter M : 800' feet from the South line and 660' feet from the West line  
 Section 22 Township 16S Range 35E NMPM County Lea

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

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

**Plugback to the Atoka Brunson Formation**

7-31-01- Pumped 74 bbls 7% KCL down tbg. ND WH & NU BOP. Released pkr & POOH with tbg. RU computalog & RIH with 5 1/2" CIBP. Set CIBP @ 13,070. Dumped 2 sx cmt on top of CIBP.

8-1-01- RIH with tbg to 12,685'. Displaced annulus with 105 bbls 7% KCL. Tested csg to 2000#-held ok. Spotted 300 gals 7 1/2% NEFE HCL. Pulled pkr up hole. Displaced annulus with 10 bbls. Ran tbg to 12,531.18'. Set pkr @ 12,497'. ND BOP & NU WH. Tested annulus to 500#-held ok.

8-2-01- RIH with 2 1/8" gun. Perforated Atoka Brunson from 12,648'- 12,668' (20', 2 spf, 40 - .24" holes, 6.5 grm, 21.9 edp). Loaded tbg with 5 bbls 7% KCL. Displaced spot acid at 1.8 bpm & 2350#. Made 13 swab runs & swabbed well dry.

8-3-01- Pressured annulus to 500#. Acidized Atoka Brunson (12,648'- 12,668') w/2500 gals 7 1/2% Clay Safe Hcl + 375 gals Methonal + 1000 SCF/bbl N2. Open well to pit on a 10/64" chk. Swab. Left well open to tk.

8-4-01- Swab well & released rig. RIH w/BHP bombs. SWI for buildup.

8/5-10/01- SI for buildup.

8/10-17/01- Pulled press bomb 8/10/01. Prep to frac.

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

SIGNATURE Chuck Sledge TITLE Engineer DATE 3/06/01

Type or print name Chuck Sledge Telephone No. (915) 682-6685  
 (This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE APR 23 2002  
 Conditions of approval, if any:

ORIGINAL SIGNED BY  
 PAUL F. KALTZ  
 PETROLEUM ENGINEER

JCS