

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION 310 Old Santa Fe Trail, Room 206 Santa Fe, New Mexico 87503

WELL API NO. 30-025-23372
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. VB - 0437

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 (Reentry)
2. Name of Operator Basin Operating Company
3. Address of Operator Suite 648 Petroleum Building, Roswell NM 88201

7. Lease Name or Unit Agreement Name Kimo Sabe State
8. Well No. 1
9. Pool name or Wildcat Wildcat

4. Well Location Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line
Section 16 Township 19 South Range 33 East NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) KB 3665, GL 3648

11. 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 [] FULL OR ALTER CASING [] OTHER: []
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [X] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: []

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.
11-09-1996 MIRU WEK Rig #3. Drill out surface plug and ream hole with 12/14 bit to 2049 feet. Found 9 5/8" casing stub at 2049 feet
11-13-1996 TIH with 7 7/8" bit.
11-14-1996 Reached total depth of 7750 feet with 7 7/8" bit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE [Signature] TITLE President DATE 1/8/1997
TYPE OR PRINT NAME John G. Worrall III TELEPHONE NO. 505-622-5893

(This space for State Use)
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: