

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

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

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

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

WELL API NO. 30-025-27775

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. A-4096

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.)

7. Lease Name or Unit Agreement Name New Mexico "DD" state

1. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER [ ]

8. Well No. 3

2. Name of Operator J & G Enterprise Ltd. Co.

9. Pool name or Wildcat Scharb Bone Springs

3. Address of Operator P.O. Box 100, Artesia, NM 88210

4. Well Location Unit Letter B : 660 Feet From The North Line and 1947 Feet From The East Line

Section 4 Township 19 S Range 35 E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3906 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [ ], PLUG AND ABANDON [X], TEMPORARILY ABANDON [ ], CHANGE PLANS [ ], PULL OR ALTER CASING [ ], OTHER [ ]. SUBSEQUENT REPORT OF: REMEDIAL WORK [ ], ALTERING CASING [ ], COMMENCE DRILLING OPNS. [ ], 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. 13 3/8" set @ 410' - 350 SX - Circ 8 5/8" set @ 4003' - 2750 SX - Circ 5 1/2" set @ 10413 - 1400 SX - DV Tool @ 7980' CI BP @ 9215' w/ 30' cement on top # 1 - set 100' Plug @ DV Tool 7980' # 2 - Cut & Pull 5 1/2" Casing @ 3800' # 3 - Set 100' Plug @ Stub & Bottom of 8 5/8" @ 3997 - Tag Plug # 4 set 100' Plug @ Bottom of 13 3/8" @ 420' # 5 set 10 sx Surface Plug - Set Dry hole Marker # 6 Rig Down - Cut Anchors - Cover Pits - Clean location

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE J T Jackson TITLE President DATE 4-2-97 TYPE OR PRINT NAME J T Jackson TELEPHONE NO. 746-9680

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

JC

Handwritten initials