

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

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. 30-025-33842
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Arco A
8. Well No. 3
9. Pool name or Wildcat South Knowles (Devonian)
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3656 GR

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator Rand Paulson Oil Company, Inc.
3. Address of Operator 508 W. Wall, Ste 100, Midland, Texas 79701
4. Well Location Unit Letter N : 600 Feet From The South Line and 2040 Feet From The West Line Section 18 Township 17 S Range 39E NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3656 GR

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Run & cmt 5 1/2" Production Csg <input checked="" 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.

Drill 7 7/8" hole to 12,162'. Logged well. Ran 5 1/2" 17# N-80 & S95 casing. Set packer shoe @ 12,123'. Cemented in 2 stages w/DV @ 8503'. 1st stage: 1100 sx Class H: POZ 50:50 + 5# salt @ 14.6#/gal & 1.27 ft³/sk. Open DV tool. Circ 105 sx off tool. Circ 5 hrs. 2nd stage: 500 sx Class H POZ: 35:65 + 6% gel. Mixed @ 12.0#/gal & 2.16 ft³/sk. Tail in w/275 H Neat. Set slips. CO csg. Install head. Rand temp survey: TOC @ 4480'. Released rig. Prep to move in completion unit.

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

SIGNATURE *O. H. Ruth* TITLE Agent DATE 4-7-97

TYPE OR PRINT NAME O. H. Ruth TELEPHONE NO. 915/687-0321

(This space for State Use)

APPROVED BY ORIGINAL SIGNATURE BY JERRY SEXTON TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: