

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
Energy, Minerals and Natural Resources

Form C-103  
Permit 37309

**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-015-02247
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name EAST MILLMAN UNIT		8. Well Number 145
9. OGRID Number 158898		
10. Poolname or Wildcat See Area 13		
1. Type of Well:I		
2. Name of Operator AMERISTATE EXPLORATION, L.L.C.		
3. Address of Operator 401 CONGRESS AVE., STE. 2900 , AUSTIN , TX 78701		
4. Well Location Unit Letter M : 660 feet from the S line and 660 feet from the W line Section 14 Township 19S Range 28E NMMPM Eddy County		
11. Elevation (Show whether DR, KB, BT, GR, etc.)		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> Other:	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> Other: <b>Perforations/Tubing</b> <input checked="" type="checkbox"/>

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.  
Form C-103 (attached) filed for work operations to bring the East Millman Unit#145 into compliance with Agreed Compliance Order to Resolve NOV 2-06-11.

Test was witnessed and original chart provided to Gerry Guye on 9-1-06.  
See Attached

**Perforations**

**Pool: MILLMAN;YATES-SR-QN-GB-SA, EAST , 46555 Location: M -14 19S-28E 660 S 660 W**  
TOP BOT Open Hole Shots/ft Shot Size Material Stimulation Amount

**Tubing**

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE President DATE 9/6/2006

Type or print name Mark Nearburg E-mail address maryd@ameristate.net Telephone No. 512-391-0300

**For State Use Only:**

APPROVED BY: Bryan Arrant TITLE Geologist DATE 9/11/2006 3:09:02 PM

Submit 3 Copies To Appropriate District  
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

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

30-015-02247

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name  
E Millman Unit

8. Well Number #145

9. OGRID Number  
158898

10. Pool name or Wildcat  
Artesia Queen G

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 INJECTION

2. Name of Operator  
Ameristate Exploration, LLC

3. Address of Operator  
401 Congress, Suite 2900 Austin, TX 78701

4. Well Location

Unit Letter C: 660 feet from the S line and 660 feet from the W line  
Section 14 Township 19S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3443 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☒  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Operation to bring E Millman Unit #145 into compliance. Work commenced 7/13/06 and was completed 8/28/06.

Pulled out of hole with packer and 2-3/8" tubing. Ran back in hole with retrievable bridge plug and packer. Tested casing from 1670 ft to surface. Isolated bad casing between 340 ft and surface. Rigged up wireline and ran collar log. Ran in hole with string shot and shot collar at 350 ft. Backed out 4 1/2", 11.6 ppf casing at 350 ft. POOH and laid down bad casing. Picked up new 4-1/2", 11.6 ppf casing. Ran in hole and screwed into collar at 350 ft. Torqued connections to 2500 psi. Installed new wellhead at surface. Picked up retrievable bridge plug. Ran in hole and set at 420 ft. Loaded hole. Would not pressure up. POOH to 348 ft and loaded hole. Slow leak between 350 and 390 ft (suspect casing damaged by back off). Picked up and installed 3" x 75' casing scab liner to isolate casing from 334 to 409'. Ran in hole with AD-1 packer on new 2-3/8" tubing and set packer at 1670'. ND BOP. NU wellhead. Loaded casing with 5 bbls and pressure tested to 500 psi.

Set up test with OCD for 9/1/06 at 1 PM. Test witnessed by Gerry Guye. Loaded casing with 1/3 bbl and pressured up to 325 psi for 35 min. Test good.

hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Susan Perkins TITLE Regulatory Coordinator DATE 9-6-06

Type or print name  
For State Use Only

E-mail address:

Telephone No.

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):