

OCT 01 2009

Submit One Copy 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

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

Form C-103
 March 18, 2009

WELL API NO. 30-015-02888
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. KD-4
7. Lease Name or Unit Agreement Name STATE
8. Well Number 1
9. OGRID Number
10. Pool name or Wildcat GRAYBARE JACKSON, ST

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
MURKS & GARNER Production

3. Address of Operator
PO BOX 1089 HOBBS NM 88241

4. Well Location
 Unit Letter L75: 29E 990 feet from the N line and 660 feet from the W line
 Section 04 Township 18 Range 29E NMPM County Eddy

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

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐

☒ Location is ready for OCD inspection after P&A

- ☒ All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
☒ Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
☒ A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

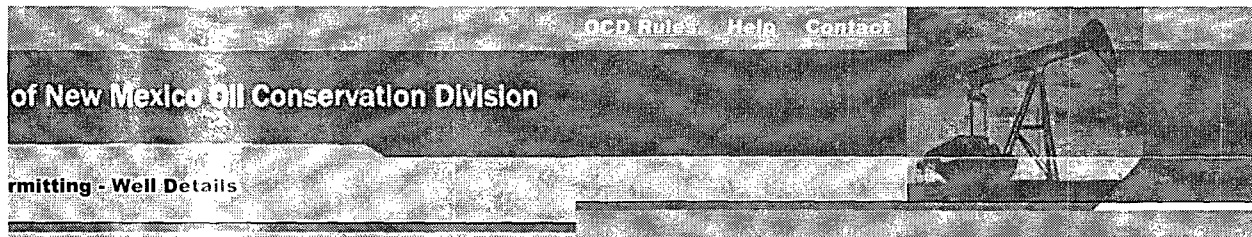
OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- ☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
☒ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
☒ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
☒ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
☒ All other environmental concerns have been addressed as per OCD rules.
☒ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Jonathan Welborn TITLE Manager DATE 9-25-09
 TYPE OR PRINT NAME Jonathan Welborn E-MAIL: JonWelborn@valcor.net PHONE: 505-393-9358
 For State Use Only

APPROVED BY: Denied TITLE Superior and mis pipe + junk on location DATE 10/5/09
 Conditions of Approval (if any):



30-025-08144 GULF HANAGAN FEDERAL #001 [6562]

General Well Information		Status: Active
Well Type: Oil		Direction:
Work Type: New		Lease Type: Federal
Surface Location: P-11-24S-32E 660 FSL 660 FEL		
Lat/Long: 32.2267453139869 -103.638981092532		
GL Elevation: 99999		Sing/Mult Compl: Single
		Potash Waiver:
Proposed Formation and/or Notes		
05/15/08 TO RECLAMATION/BLM		
Depths		
Proposed: 5065		Measured: 0
		Plugback
		Measured:
Formation Tops		
Formation	Top	Method Obtained
		Producing
Event Dates		
Initial APD Approval: 1/1/1900		Current APD Expiration: 1/1/1902
Most Recent APD Approval: 1/1/1900		
APD Cancellation:		
APD Extension Approval:		
Spud: 12/31/9999		Expiration:
Approved Temporary Abandonment:		
Shut In Waiting For Pipeline:		Plugged, Not Released
Plug and Abandoned Intent		Expiration:
Received:		Intention To Plug:
Well Plugged:		Last MIT:
Site Release:		
Last Inspection: 2/24/2009		

History						
Effective Date	Property	Operator	C-101 Work Type	Well Type	Apd Cancelled	Plug Date
1/1/1900	[6562] GULF HANAGAN FEDERAL	[14070] MARKS AND GARNER PRODUCTION LTD CO	N	Oil		

Comments

Operator

Company: [14070] MARKS AND GARNER PRODUCTION LTD CO
Address: P.O. BOX 1089
HOBBS ,NM 88241
Country: U.S.A.
Main Phone: 575-390-7532

Central Contact Person

Name: Quinton R Welborn
Phone: 575-393-9358
Cell: 575-390-7532
E-Mail Address: Qwelborn@valornet.com
Title: Manager
Fax:

Hobbs Contacts**Artesia Contacts****Pits****Casing****Well Completions**

[19090] DOUBLE X;DELAWARE **Status: Active** **Last Produced:**
9/1/2006

Financial Assurance

Bond Id	Bond Type	Amount	Issuer	Cash/Surety	Issuer Bond Number	Bond Cancellation Date
248537	Blanket	50000	[25994] UNITED STATES FIDELITY & GUARANTY CO.	Surety	01013092077	11/3/2004
249605	Blanket	50000	[36469] WESTERN COMMERCE BANK	Cash	OCD-782	

Requests to release bonds must be submitted in writing. You may send an e-mail to Dorothy.Phillips@state.nm.us or fax a letter to (505) 476-3462.

Compliance

Note that Financial Assurance and Inactive Well Compliance are documented in separate reports ([Inactive Well Report](#), [Financial Assurance Report](#)).

Also note that some compliance issues are addressed at the operator level so not listed under each well.

Date of
LWH0312659516 **Violations: 5/6/2003** **Violations: Operation/Maintenance**

**LWH0411855619****Date of
Violations: 4/27/2004****Violations: Operation/Maintenance****Date of Violation:** 4/27/2004**Compliance****Resolved:** 5/19/2005**Required:****Notes**

IDLE WELL. SHUT IN ,DISCONNECTED. NEEDS T/A ,P/A OR PUT BACK IN USE. SECOND NOTICE.

Notifications

Notification	Notification Date	Enforcement
	4/27/2004	Field Inspection

Corrective Actions

Corrective Action	Date
Compliance Resolved	5/19/2005

Complaints, Incidents and Spills

No Incidents Found

Please note that incidents that impact ground water are recorded along with "facilities" which may not be wells, so although the initial report may be recorded here as a spill, information related to the abatement plans, remediation plans and ground water impact information are not yet part of this application.

Orders

No Orders Found

Production / Injection[Show All Production](#) | [Export to Excel](#)**Earliest Production in OCD Records:** 8/1994**Last** 9/2006

Time Frame	Production				Injection				
	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
1994	197	523	86	100	0	0	0	0	0
1995	247	875	113	254	0	0	0	0	0
1996	169	675	87	335	0	0	0	0	0
1997	171	765	333	365	0	0	0	0	0
1998	32	56	24	35	0	0	0	0	0
1999	9	0	0	7	0	0	0	0	0
2000	876	0	1970	140	0	0	0	0	0
2001	261	0	704	135	0	0	0	0	0
2002	5	0	0	2	0	0	0	0	0
2003	0	0	0	0	0	0	0	0	0
2004	91	0	1610	90	0	0	0	0	0

2005	0	551	0	360	0	0	0	0	0
2006	376	567	531	360	0	0	0	0	0
2007	0	0	0	360	0	0	0	0	0
2008	0	0	0	360	0	0	0	0	0
2009	0	0	0	240	0	0	0	0	0
Grand Total:	2434	4012	5458	3143	0	0	0	0	0

Transporters