

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-73

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	<input checked="" type="checkbox"/>
FILE	<input checked="" type="checkbox"/>
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
015788 AND 015789

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. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- 2. Name of Operator Midas Minerals CORP. 3. Address of Operator 1408 SAGEBRUSH TR. S.E. ALBUQUERQUE, N.M. 87123 4. Location of Well UNIT LETTER <u>K</u> . <u>2292</u> FEET FROM THE <u>SOUTH</u> LINE AND <u>2414</u> FEET FROM THE <u>WEST</u> LINE, SECTION <u>3</u> TOWNSHIP <u>13N.</u> RANGE <u>15E.</u> NMPM.	7. Unit Agreement Name 8. Farm or Lease Name SOLANO 9. Well No. Midas #3 10. Field and Pool, or Wildcat WILDCAT 15. Elevation (Show whether DF, RT, GR, etc.) 12. County SAN MIGUEL
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16. 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"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
OTHER <u>DRILL AND SET SURFACE</u> <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. 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.

DRILLED 9 3/4" HOLE TO 548' AND RUN 542' of 26 lb. 7 5/8" CASING, AND PRESSURE CEMENTED TOP TO BOTTOM "CIRCULATED," 16 SACKS.

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

SIGNED Andrew E. Long TITLE Pres DATE 1-3-85

APPROVED BY [Signature] TITLE DISTRICT SUPERVISOR DATE 1-14-85

CONDITIONS OF APPROVAL IF ANY:



A Division of Halliburton Company
DUNCAN, OKLAHOMA 73838

WORK ORDER CONTRACT AND PRE-TREATMENT DATA

FORM 1908 R-4

ATTACH TO INVOICE & TICKET NO. 922673

DISTRICT Artesia New Mexico

DATE 1-3-85

TO: HALLIBURTON SERVICES YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICEMEN TO DELIVER AND OPERATE

THE SAME AS AN INDEPENDENT CONTRACTOR TO: Midas Minerals Corp.
(CUSTOMER)

AND DELIVER AND SELL PRODUCTS, SUPPLIES, AND MATERIALS FOR THE PURPOSE OF SERVICING

WELL NO. # 3 LEASE Midas SEC. 3 TWP. 13 N. RANGE 15 E

FIELD _____ COUNTY San Miguel STATE New Mexico OWNED BY Same

THE FOLLOWING INFORMATION WAS FURNISHED BY THE CUSTOMER OR HIS AGENT

FORMATION NAME	TYPE	NEW USED	WEIGHT	SIZE	FROM	TO	MAX. ALLOW. P.S.I.
FORMATION THICKNESS	FROM TO						
PACKER: TYPE	SET AT						
TOTAL DEPTH	MUD WEIGHT						
BORE HOLE							
INITIAL PROD: OIL _____ BPD, H ₂ O _____ BPD, GAS _____ MCF							
PRESENT PROD: OIL _____ BPD, H ₂ O _____ BPD, GAS _____ MCF							
CASING		<u>NEW</u>	<u>3-1/2"</u>	<u>7 7/8</u>	<u>0</u>	<u>542</u>	
LINER							
TUBING							
OPEN HOLE				<u>10</u>	<u>20</u>	<u>560</u>	SHOTS/FT.
PERFORATIONS							
PERFORATIONS							
PERFORATIONS							

PREVIOUS TREATMENT: DATE _____ TYPE _____ MATERIALS _____

TREATMENT INSTRUCTIONS: TREAT THRU TUBING ANNULUS CASING TUBING/ANNULUS HYDRAULIC HORSEPOWER ORDERED _____

7 7/8 Inch Surface Casing Cement Job.

Circulated 16 SKS Cement

CUSTOMER OR HIS AGENT WARRANTS THE WELL IS IN PROPER CONDITION TO RECEIVE THE PRODUCTS, SUPPLIES, MATERIALS, AND SERVICES

THIS CONTRACT MUST BE SIGNED BEFORE WORK IS COMMENCED

As consideration, the above-named Customer agrees:

- (a) To pay Halliburton in accord with the rates and terms stated in Halliburton's current price lists.
- (b) Halliburton shall not be responsible for and Customer shall secure Halliburton against any liability for damage to property of Customer and of the well owner (if different from Customer), unless caused by the willful misconduct or gross negligence of Halliburton, this provision applying to but not limited to subsurface damage and surface damage arising from subsurface damage.
- (c) Customer shall be responsible for and secure Halliburton against any liability for reservoir loss or damage, or property damage resulting from subsurface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct or gross negligence of Halliburton.
- (d) Customer shall be responsible for and secure Halliburton against any and all liability of whatsoever nature for damages as a result of subsurface trespass, or an action in the nature thereof, arising from a service operation performed by Halliburton hereunder.
- (e) Customer shall be responsible for and secure Halliburton against any liability for injury to or death of persons, other than employees of Halliburton, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of Halliburton.
- (f) Halliburton makes no guarantee of the effectiveness of the products, supplies or materials, nor of the results of any treatment or service.
- (g) Customer shall, at its risk and expense, attempt to recover any Halliburton equipment, tools or instruments which are lost in the well and if such equipment, tools or instruments are not recovered, Customer shall pay Halliburton its replacement cost unless such loss is due to the sole negligence of Halliburton. If Halliburton equipment, tools or instruments are damaged in the well, Customer shall pay Halliburton the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of Halliburton. In the case of equipment, tools or instruments for marine operations, Customer shall, in addition to the foregoing, be fully responsible for loss of or damage to any of Halliburton's equipment, tools or instruments which occurs at any time after delivery to Customer at the landing until returned to the landing, unless such loss or damage is caused by the sole negligence of Halliburton.
- (h) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, Halliburton is unable to guarantee the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by Halliburton. Halliburton personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton shall not be responsible for any damages arising from the use of such information except where due to Halliburton's gross negligence or willful misconduct in the preparation or furnishing of it.
- (i) Halliburton warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Halliburton's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to Halliburton or, at Halliburton's option, to the allowance to the Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, punitive or consequential damages.
- (j) Invoices payable NET by the 20th of the following month after date of invoice. Upon Customer's default in payment of Customer's account by the last day of the month following the month in which the invoice is dated, Customer agrees to pay interest thereon after default at the highest lawful contract rate applicable but never to exceed 18% per annum. In the event it becomes necessary to employ an attorney to enforce collection of said account, Customer agrees to pay all collection costs and attorney fees in the amount of 20% of the amount of the unpaid account.
- (k) This contract shall be governed by the law of the state where services are performed or equipment or materials are furnished.
- (l) Halliburton shall not be bound by any changes or modifications in this contract, except where such change or modification is made in writing by a duly authorized executive officer of Halliburton.

I HAVE READ AND UNDERSTAND THIS CONTRACT AND REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT.

SIGNED [Signature] CUSTOMER
DATE 12-2-85

We certify that the Fair Labor Standards Act of 1938, as amended, has been complied with in the production of goods and/or with respect to services furnished under this contract.

TIME 14:00 A.M. [Signature]