

NEW MEXICO OIL CONSERVATION COMMISSION

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| LAND OFFICE            |  |  |
| OPERATOR               |  |  |

5a. Indicate Type of Lease  
State  Fee

5. State Oil & Gas Lease No.  
E-7574

**SUNDRY NOTICES AND REPORTS ON WELLS**  
DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO RE-OPEN OR RE-LOG BACK TO A DIFFERENT RESERVOIR.  
USE "APPLICATION FOR PERMIT TO DRILL" (FORM C-101), FOR SUCH PROPOSALS.

1.  OIL WELL  GAS WELL  OTHER- Gas Storage Well

2. Name of Operator  
Llano, Inc.

3. Address of Operator  
P. O. Box 1320, Hobbs, New Mexico 88240

4. Location of Well  
UNIT LETTER J 1980 FEET FROM THE South LINE AND 1980 FEET FROM  
THE East LINE, SECTION 33 TOWNSHIP 21-S RANGE 34-E NMPM.

7. Unit Agreement Name  
Grama Ridge Morrow

8. Form or Lease Name  
GRM Unit

9. Well No.  
3

10. Field and Pool, or Wildcat  
Grama Ridge Morrow Gas

15. Elevation (Show whether DF, RT, CR, etc.)  
3656 DF

12. County  
Lea

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"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>               | ALTERING CASING <input type="checkbox"/>                       |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>     | COMMENCE DRILLING OPNS. <input type="checkbox"/>     | PLUG AND ABANDONMENT <input type="checkbox"/>                  |
| PULL OR ALTER CASING <input type="checkbox"/>  | OTHER <input type="checkbox"/>            | CASING TEST AND CEMENT JOBS <input type="checkbox"/> | OTHER <u>Status Report</u> <input checked="" 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 1503.

Pursuant to the "Amendment to Unit Agreement for Operation of the Grama Ridge - Morrow Unit Area, Lea County, New Mexico," the GRM Unit Well No. 3 is being utilized as a gas storage well for purposes of monitoring reservoir pressure and withdrawal of stored gas volumes from the Morrow Formation.

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

SIGNED: [Signature] TITLE: Manager of Petroleum and Natural Gas Engineering DATE: 5-19-78

APPROVED BY: Jerry Sexton TITLE: Dist 1, Supv. DATE: MAY 20 1978

CONDITIONS OF APPROVAL, IF ANY: