Submit 3 Copies

SIGNATURE _

APPROVED BY

(This space for State Use)

TYPE OR PRINT NAME STELLA SWANSON, CPL

State of New Mexico

Form C-103

DATE 10/04/2000

TELEPHONE NO. (915)687-4220

DATE

Energy, Minerals and Natural Resources Department to Appropriate District Offices Revised 1-1-89 DISTRICT I OIL CONSERVATION DIVISION P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 310 Old Santa Fe Trail, Room 206 DISTRICT II 30-025-08288 Santa Fe, New Mexico 87503 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease DISTRICT III STATE FEE 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. LC-069515 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" 7. Lease Name or Unit Agreement Name NORTH EL MAR UNIT (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: OIL WELL GAS WELL OTHER INJECTION WELL 2. Name of Operator QUAY VALLEY, INC 8. Well No. 33 3. Address of Operator 9. Pool name or Wildcat P. O. BOX 10280 MIDLAND, TX 79702-7280 EL MAR; DELAWARE 4. Well Location Unit Letter P .660 Feet From The SOUTH _ Line and _660 __ Feet From The _EAST Line Section 26 Township 26S Range 32E NMPM LEA County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3102' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK **ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDON **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB OTHER: REACTIVATE INJECTION WELL Χ OTHER: 12. Describe Proposed or Completed Operations work) SEE RULE 1103. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed QUAY VALLEY, INC. PLANS TO: 1. DRILL OUT THE CIBP SET AT 4,556' 2. ACIDIZE AND CLEAN PERFS AT 4595'-98', 4604'-11', AND 4615'-18' 3. REACTIVATE FOR AN INJECTION WELL. WORK WILL BE DONE WITHIN THE NEXT FEW WEEKS. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

____ TITLE OFFICE MANAGER

TITLE