

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
HOBBS OCD
OIL CONSERVATION DIVISION
FEB 15 2013 1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

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.)		WELL API NO. 30-025-40852
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Marshall & Winston, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 50880, Midland, TX 79710-0880		7. Lease Name or Unit Agreement Name Klein 16 State
4. Well Location Unit Letter <u>A</u> : <u>660</u> feet from the <u>North</u> line and <u>250</u> feet from the <u>East</u> line Section <u>16</u> Township <u>19S</u> Range <u>35E</u> NMPM County <u>Lea</u>		8. Well Number 2H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3787' GR		9. OGRID Number 14187
		10. Pool name or Wildcat Scharb; Bone Spring

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: Commence Drilling ☒

OTHER: Release Rig ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12/04/12 Spud hole @ 7:30 AM.

12/08/12 Drill to 1700'. Ran 47 jts 13 3/8" J55 54.5# csg. Set @ 1800'. Cmt w/ 20 BFW, lead w/ 1285 sx Class C + 4% PF20 + 2% PF1 + 0.125 pps PF29 + 0.25 pps PF46. Tail w/ 200 sx Class C + 1% PF1. Displace w/ 272 BFW. Circ 508 sx back to surface. WOC 18 hrs.

12/10/12 Test BOP, csg & choke manifold to 500#.

12/14/12 Drill to 3822'. Ran 100 jts 9 5/8" 40# N80 csg. Set @ 3822'. Cmt w/ 20 BFW, lead w/ 1450 sx 35:65 Class C + 5% PF44 (BWOW) + 6% PF20 + 3# PF42 + .125# PF29 + 1% PF1. Tail w/ 200 sx Class C + .2% PF13. Displace w/ 287 BFW. Circ 575 sx cmt to surface. WOC 18 hrs. Test choke manifold to 250# low & 1000# high.

12/15/12 Pressure test csg to 1000#.

12/21/12 Open hole log w/ Schlumberger.

12/30/12 Drill to TD 13,940' - PBDT 13645'.

01/01/13 Ran 335 jts 5 1/2" P-110 17# csg. Set @ 13771'.

01/02/13 Cmt w/ 20 bbl chemical wash spacer, lead w/ 1515 sx Poz H + 5% PF44 + 10% PF20 + .2% PF13 + .2% PF153 + 3# PF42 + 1/8# PF29 + 1/4# PF46. Tail w/ 1416 sx Poz H + 2% PF20 + .7% PF606 + .2% PF65 + 1/4# PF46 + .2% PF153 + .1% PF13. Circ 652 sx to surf. WOC 18 hrs.

01/03/13 Release rig @ 2:00 PM.

Spud Date:

12/04/12

Rig Release Date:

01/03/13

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

SIGNATURE [Signature] TITLE Engineer DATE 02/13/13

Type or print name Gabe Herrera E-mail address: gherrera@mar-win.com PHONE: 432-684-6373

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE FEB 18 2013

Conditions of Approval (if any):