

HOBBS OCD

MAR 31 2014

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-33784
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SKELLY PENROSE A UNIT
8. Well Number 81
9. OGRID Number 240974
10. Pool name or Wildcat Langlie Mattix; 7Rvrs-Queen-Grayburg

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator LEGACY RESERVES OPERATING LP	
3. Address of Operator PO BOX 10848, MIDLAND, TX 79702	
4. Well Location Unit Letter <u>A</u> : <u>1320</u> feet from the <u>NORTH</u> line and <u>114</u> feet from the <u>EAST</u> line Section <u>4</u> Township <u>23S</u> Range <u>37E</u> NMPM County <u>LEA</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3282' GR	

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 ☐
 CLOSED-LOOP SYSTEM ☒
 OTHER: ☐

SUBSEQUENT REPORT OF:

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

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.

03/25/14 MIRU plugging equipment. Dug out cellar. NU BOP. RIH w/ tbg and tagged CIBP @ 3005'. Circulated hole w/ mud laden fluid. Spotted 25 sx cement @ 3005-2752 (per Maxey Brown OCD). POH to 2525'. Spotted 160 sx class C cement @ 2525-907. POH to 1200'.

03/26/14 Tagged plug @ 980'. POH w/ tbg. ND BOP. RIH open ended to 250'. Spotted 25 sx class C cement @ 250-surface. Rigged down moved off.

03/27/14 MI welder and backhoe. Cut off well head. Welded on "Above Ground Dry Hole Marker". Backfilled cellar. Cut off deadmen. Cleaned location and moved off.

Installed Closed-Loop System with steel tanks. Hauled contents from Closed-Loop System to approved NMOCD disposal location according to rule 19.15.17.

Spud Date:

Rig Release Date:

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

SIGNATURE Kent Williams TITLE SENIOR ENGINEER DATE 03/28/2014

Type or print name KENT WILLIAMS E-mail address: kwilliams@legacylp.com PHONE: 432-689-5200

For State Use Only

APPROVED BY: Mailey Brown TITLE Compliance Officer DATE 4/1/2014

Conditions of Approval (if any):

APR 03 2014