

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-03335 ✓
5. Indicate Type of Lease <i>Fed.</i> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NM 06413
7. Lease Name or Unit Agreement Name Cactus Federal ✓
8. Well Number #3 ✓
9. OGRID Number 236040
10. Pool name or Wildcat <i>SWD</i> Pearl, Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3694'

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 FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other injection *SWD*

2. Name of Operator
Tandem Energy Corporation

3. Address of Operator
P.O. Box 1559, 200 N. Loraine Suite 400 Midland, Texas 79702

4. Well Location
 Unit Letter D : 330 feet from North line and 660 feet from the West line
 Section 6 Township 20S Range 35E NMPM Lea County

12. 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 checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

06-20-08: Spotted Rig
 06-23-08: Release Pkr. Install BOP and Enviro Vat Pulled Tbg. lay down tbg. closed BOP
 06-24-08: Run in Hole with Bit and Workstring cleaned out to PBSD 4985' circ. clean Pulled out of hole closed Bop
 06-25-08: Run in Hole W/ Pkr. on 2 3/8" tbg. Set pkr. @ 4549' Loaded annulus to 500 psi. to monitor acidize w/ 4000 gals 15% HCL acid w/1750# rock salt shut in 2 hours flowed back over night.
 06-26-08: Release pkr. pulled out laid down workstring and pkr. Run in Hole w/4 1/2"x2-3/8" AS1-X nickel plated T-2 pkr. on Re-condition 2 3/8" plastic coated tbg. circ.pkr. fluid set pkr. @ 4562' TOP PERF. 4650'
 06-27-08: Rig Down Pulling Unit Ran MIT witnessed by OCD

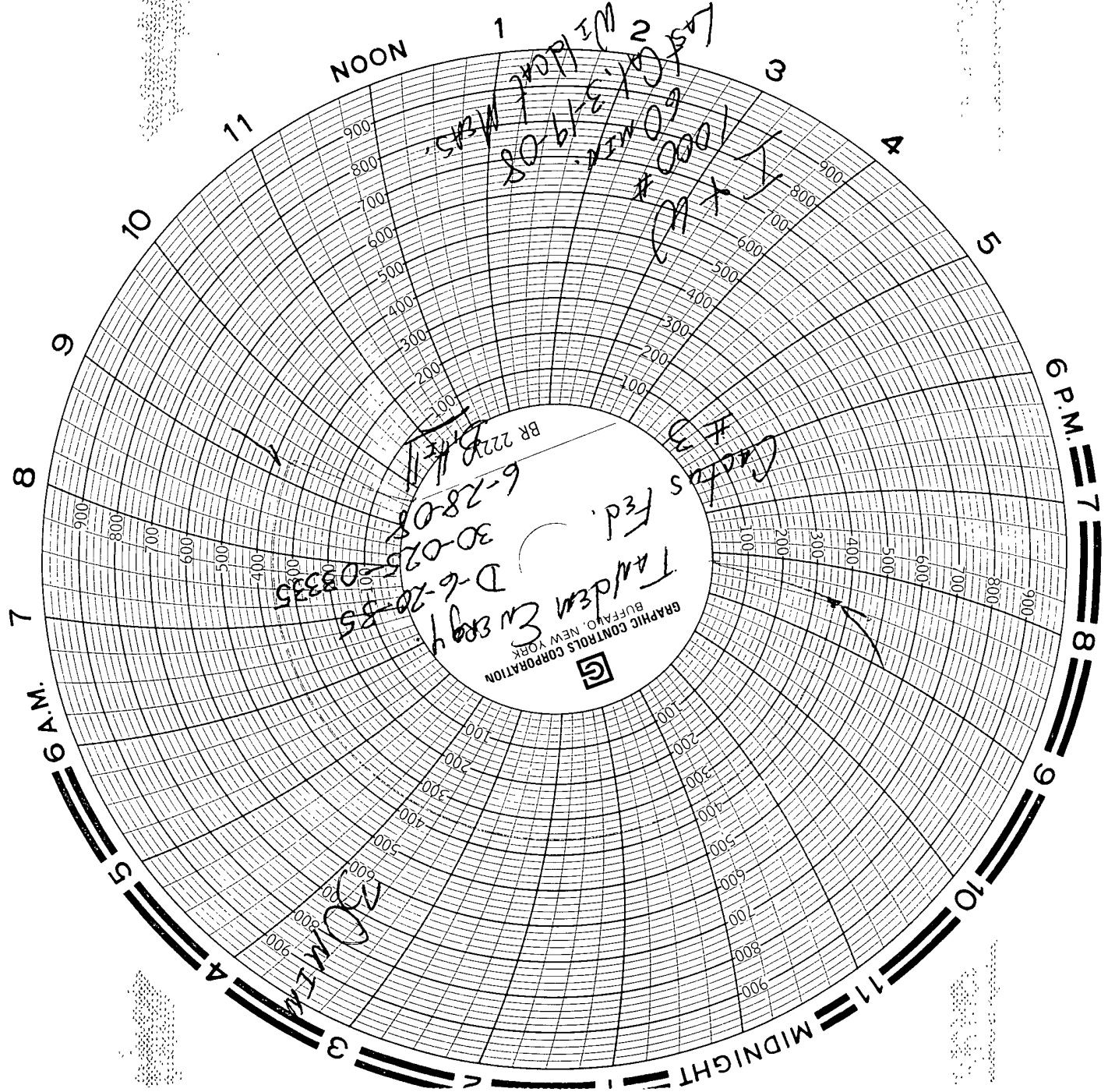
Spud Date: 4-9-62 Rig Release Date: 6-17-62

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

SIGNATURE *Rumaldo Hinojosa* TITLE *Eng. Tech* DATE *7-16-08*

Type or print name Rumaldo Hinojosa E-mail address: rumaldohinojosa@yahoo.com PHONE: 505-626-9969

For State Use Only
 APPROVED BY: *[Signature]* TITLE PETROLEUM ENGINEER DATE JUL 22 2008
 Conditions of Approval (if any):



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

TALDAM BU 3094

D-6-20-85
30-025-03335

6-28-08

BR 222P KVI

Gates #3

1000 X 1000

3-19-08
W. L. Lark M.S.

30 MIN

30 MIN

30 MIN