State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources Revised May 08, 2003 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-015-33053 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE X FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 33040 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A **State 1724** DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well X Other RECEIVED 9. OGRID Number 2. Name of Operator Perenco LLC 218885 MAY 1 4 7004 10. Pool name or Wildcat 3. Address of Operator 6 Desta Drive, Suite 6800 Midland, TX 79705 Cottonwood Creek; Abo Gas 960 ARTESI 4. Well Location 660 South 1980 Unit Letter feet from the line and feet from the West line Section 31 Township 17S Range **NMPM** County Eddy 24E 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3861' GR 12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 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 ABANDONMENT **PULL OR ALTER CASING MULTIPLE** CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: Set CTBP and Whipstock. Drill curve \mathbf{x} 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. 05/08/04 Set CIBP at 4460'. Set Whipstock on top of CIBP. 05/10/04 Cut window in 7" casing 4443-4450'. 05/11/04 Drill curve 4450-4960' MD (4450-4742' TVD) 05/12/04 Start drilling horizontal lateral. I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE. Enq. Tech. 05/12/04 TITLE. DATE_ Type or print name Robin S. McCarley Telephone No. 432-682-8553 (This space for State use) FOR RECORDS ONLY MAY 1 8 2004 APPROVED BY_

TITLE.

Conditions of approval, if any:

DATE