

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
 100 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

Form C-103
 Revised August 1, 2011

HOBBS OGD
Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

JAN 09 2013

WELL API NO. 30-015-24672
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name CAVE STATE
8. Well Number # 1
9. OGRID Number 14070
10. Pool name or Wildcat GRAYBURG/SAN ANDRES
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

RECEIVED
 SUNDRY NOTICES/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 Gas Well Other

2. Name of Operator
STATE OF NEW MEXICO FORMERLY MARKS & GARNER

3. Address of Operator
1625 N. FRENCH DRIVE HOBBS, NM 88240

4. Well Location
 Unit Letter **D** : **330** feet from the **FNL** line and **330** feet from the **FWL** line
 Section **4** Township **17S** Range **29E** NMPM County **EDDY**

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 checked="" type="checkbox"/>	REMEDIAL WORK <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SEE ATTACHED PLUGGING PROCEDURE

**The Oil Conservation Division
 MUST BE NOTIFIED 24 Hours**

Spud Date:

Rig Release Date: **Prior to the beginning of operations**

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

SIGNATURE Mary Brown TITLE Compliance Officer DATE 1/9/2013

or print name _____ E-mail address: _____ PHONE: _____
 for State Use Only

APPROVED BY [Signature] TITLE Det. [Signature] DATE 1-9-2013
 Conditions of Approval (if any): _____

State of New Mexico formerly MARKS & GARNER PRODUCTION

LEASE NAME CAVE STATE #1 API 30-0 15 - 24672

U.L. D Section 4 -T 17 S-R 29 E FROM 330 N/S L, 330 E/W L.

SPECIAL NOTE—Mud Laden Fluid will consist of 9.5# brine with 12.5# Salt Gel per BBL (25 sacks of gel/ per 100 BBLS Brine). All cement plugs will be 25 sacks of cement or 100', whichever is greater. **Unless otherwise specified in the approved procedure**, cement plugs shall consist of class "C" for depths to 7500'. Class "H" will be used for plugs deeper than 7500'.

1. MIRU plugging unit. Lay down production equipment.
2. Set CIBP @ 2400 '. Circulate MLF. Spot 25 sxs cmt on CIBP.
3. ~~Perf~~/Spot 40 sxs cmt @ 1850 '. If perf. WOC & TAG. CSG PKRS & DV TOOL.
4. ~~Perf~~/Spot @ 388 '. Sqz/Spot 40 sxs cmt or w/ sufficient volume to circ cmt to surface inside/~~outside~~ of csg strings.
5. Cutoff wellhead and anchors, install marker.

-----SPECIAL NOTES-----

MARKS & GARNER

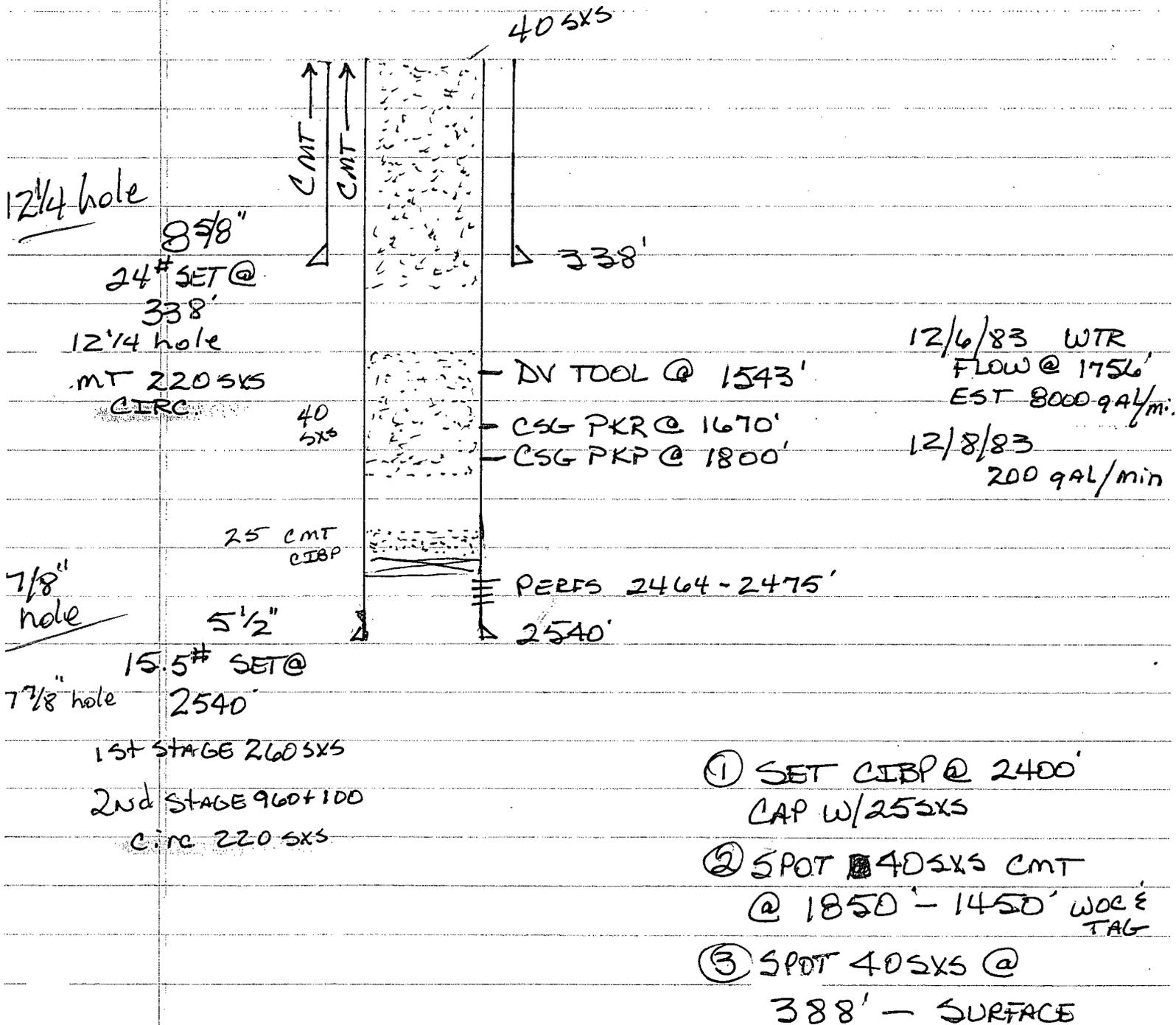
CAVE STATE #1

D-4-175-29E

330 FNL - 330 FWL

30-015-24672

* HISTORY OF
WATER FLOW *



Considerations for Plugging Quote Bid

1. Inspections of roads and locations that may require repair to get equipment to/from job site.
2. Inspections, testing or installation of anchors.
3. Rental equipment that may be required for job.
4. Fresh and brine water requirements for plugging.
5. Removal of liquids and solids to approved disposal site.
6. Other expenses that may be required to complete job.
7. Upon completion of plugging file C-103 subsequent report with OCD. This is to include cement volumes, cement tags and date well was plugged.

This is not a complete list but a guideline to help in the bid process.