

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 11 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

Form C-103
 Revised August 1, 2011

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

WELL API NO. 30-015-24759
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 DIAMOND STATE
8. Well Number #1
9. OGRID Number 14070
10. Pool name or Wildcat CAVE GB/SA
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 Gas Well Other

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

3. Address of Operator
811 S. FIRST ST ARTESIA, NM 88210

4. Well Location
 Unit Letter **0** : **330** feet from the **SOUTH** line and **2310** feet from the **EAST** 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: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> BLOWHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <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

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 Mary Brown TITLE Compliance Officer DATE 1/28/2013

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

APPROVED BY: [Signature] TITLE Dist. MGR DATE 1-28-2013
 Conditions of Approval (if any): _____

State of New Mexico formerly MARKS & GARNER PRODUCTION LTD CO _____

LEASE NAME DIAMOND STATE # 1 API 30-0 15 - 24759

Section 4 -T 17 S-R 29 E FROM 330 # / S L, 2310 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 @ 2442 '. Circulate MLF. Spot 25 sxs cmt on CIBP.
3. Perf/ Spot 25 sxs cmt @ 1800 '. If perf. WOC and TAG.
4. ~~Perf/Spot~~ @ 392 '. ~~Set~~ w/ sufficient volume to circ cmt to surface inside/~~outside~~ of csg strings.
5. Cutoff wellhead and anchors, install marker.

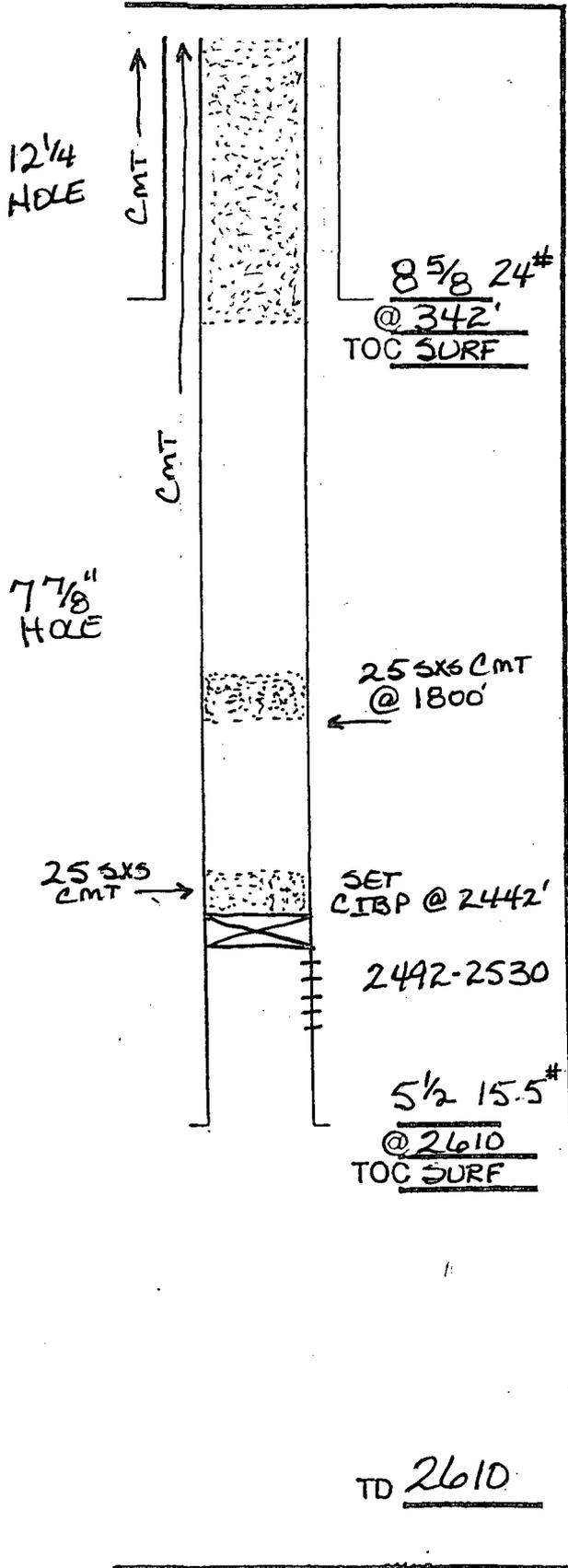
-----SPECIAL NOTES-----

PLUGGING & ABANDONMENT WORKSHEET

OPERATOR STATE OF NEW MEXICO formerly MARKS & GARNER

LEASENAME DIAMOND STATE

WELL # 1
 SECT 4 TWN 17-S RNG 29-E
 FROM 330 W/S L 2310 E/W L
 TD: _____ FORMATION @ TD _____
 PBTD: _____ FORMATION @ PBTD _____



	SIZE	SET @	TOC	TOC DETERMINED BY	
SURFACE					
INTMED 1					
INTMED 2					
PROD					
	SIZE	TOP	BOT	TOC	DETERMINED BY
LINER 1					
LINER 2					
	CUT & PULL @			TOP - BOTTOM	
INTMED 1			PERFS		-
INTMED 2			OPENHOLE		-
PROD					

* REQUIRED PLUGS DISTRICT I

RUSTLER (ANHYD)	*
YATES	
QUEEN	
GRAYBURD	
SAN ANDRES	
CAPTAIN REEF	*
DELAWARE	
BELL CANYON	
CHERRY CANYON	
BURSHY CANYON	
BONE SPRING	
OLORIETA	*
BURNERY	
TUBS	
DRINKARD	
ABO	
WC	
PENK	
STRAWN	
ATOKA	
LAGROW	
SAGE	
DEVONIAN	

PLUG	TYPE PLUG	SACKS CMNT	DEPTH
EXAMPLE			
PLUG #1	OH	25 SXS	9850'
PLUG #2	SHOE	50 SXS	8700'-8800'
PLUG #3	CIBP/35'		5300'
PLUG #3	CIBP	25 SXS	5300'
PLUG #4	STUB	50 SXS	4600'-4700'
PLUG #6	RETNR SOZ	200 SXS	400'
PLUG #7	SURF	10 SXS	0-10'
PLUG #1			
PLUG #2			
PLUG #3			
PLUG #4			
PLUG #5			
PLUG #6			
PLUG #7			
PLUG #8			
PLUG #9			
PLUG #10			
PLUG #			
PLUG #			

* WATER FLOW @ 1759' 3BPM 02/03/1984

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. Provide daily estimate cost to District office.
8. Upon completion of plugging file C-103 subsequent report with OCD. This is to include cement volumes, cement tags and date well was plugged.
9. Provide District office final invoice for approval.

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