

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

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

Form C-103
Revised March 25, 1999

WELL API NO.
30-005-10003

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

V 131

7. Lease Name or Unit Agreement Name:

Sinclair State

8. Well No.

1

9. Pool name or Wildcat

Acme San Andres

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

Slayton Resources, Inc.

3. Address of Operator

P. O. Box 2035, Roswell, NM 88202-2035

4. Well Location

Unit Letter E : 1650 feet from the North line and 990 feet from the West line

Section 5 Township 8S Range 27E NMPM County Chaves

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

11. 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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. 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.

MIRU Run 2 3/8" TBG to 1930'

Spot ~~20~~ SKS 1930' to 1730' 25SK - WOC TAG

Circulate 9.5 # Mud

Perforate ~~20~~ SKS 290' - Place 100' of Cmt. in? out of casing 190-290'

Spot 10 SKS to surface Perf @ 154' - PLACE 100' of Cmt in? out of cs 54'-154'-TAG

Set dry hole marker

Level location

Notify OCD 24 hrs. prior to any work done

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

SIGNATURE

Paul Slayton

TITLE

Agent

DATE May 1, 2006

Type or print name Paul Slayton

Telephone No. 505-623-718

(This space for State use)

APPROVED BY

[Signature]

TITLE

MAY 02 2006

Conditions of approval, if any

LEASE & WELL NO. Acme -- Sinclair State #1FORMATION San AndresCOUNTY & STATE Chaves County, New Mexico**Slayton
Resources
Inc.**

P. O. Box 2035

Roswell, NM 88202-2

Office: 505-623-7184

Fax: 505-623-7186

8 5/8" @ 104' with 100 sacks

7 7/8" Hole

870' Estimated cement top

1357' Est top 50 SK 75% 6 3/4" hole

Perforation 1905' to 1934' with 58 shots

5 1/2" @ 1950' with 50 sacks

50 SK

6 1/4" hole ??