

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  
May 27, 2004

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

WELL API NO. 30-015-00737
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 South Red Lake II Unit
8. Well Number 38
9. OGRID Number 241598
10. Pool name or Wildcat Queen, Grayburg, 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  
Fairway Resources Operating, LLC

3. Address of Operator  
538 Silicon Drive, Suite 101, Southlake, TX 76092

4. Well Location  
Unit Letter B : 905 feet from the north line and 1,610 feet from the east line  
Section 2 Township 18S Range 27E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3,596' KB

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

JUL - 6 2007  
OCD-ARTESIA

12. 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 COMPL ☐

OTHER: Plug-back current Grayburg completion  
☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

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.

7" casing set at 1,480, cemented with 75 sx  
TD 1,723'  
Current Status: active oil well

Proposed Request

1. Lay down pump and rods, pull production tubing.
2. Run in with tubing to 1,530' and spot 100' cement plug
3. Tag top of cement plug
4. Rig down and move off of location

hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Kenneth Pearce TITLE engineer DATE 7-3-07

Type or print name Kenneth Pearce E-mail address: kpearce@fairwayresources.com Telephone No. 817/416-1946

For State Use Only

BRYAN G. ARRAnt

APPROVED BY: DISTRICT II GEOLOGIST TITLE \_\_\_\_\_ DATE JUL 19 2007

Conditions of Approval (if any):

**Fairway Resources Operating, LLC**  
**South Red Lake II Grayburg Unit #38**

API 30-015-00737

905' FNL and 1610' FEL  
Unit B, Sec. 2, T18S, R27E  
Eddy County, NM

**Proposed**

History:

Completion: 5/1948

Current Status: active oil well

GR: 3596'

100' cement plug  
1430' to 1530'

calculated TOC 760'

1480' 7" csg. cmt w/ 75 sx.

TD 1723'

7/3/2007