

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN ORIGINAL FORM (Reverse side)

Expires August 31, 1985

LEASE DESIGNATION AND SERIAL NO.

NM-32322

IF INDIAN, ALLOTTEE OR TRIBE NAME

UNIT AGREEMENT NAME

FARM OR LEASE NAME

Miller Federal

WELL NO.

#5

FIELD AND POOL OR WILDCAT

W. Pecos Slope Abo

SEC., T., B., M., OR BLK. AND SURVEY OR AREA

Sec. 6-6S-23E

COUNTY OR PARISH STATE

Chaves

NM

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" for such proposals.)

1. OIL WELL [] GAS WELL [X] OTHER []

2. NAME OF OPERATOR McKay Oil Corporation

3. ADDRESS OF OPERATOR Post Office Box 2014, Roswell, NM 88201

4. LOCATION OF WELL (Report location clearly and in accordance with State requirements. See also space 17 below.) At surface

660' FWL & 660' FSL

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)

4224' GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF [] PUMP OR ALTER CASING [] FRACTURE TREAT [] MULTIPLE COMPLETE [] SHOOT OR ACIDIZE [] ABANDON* [] REPAIR WELL [] CHANGE PLANS []

SUBSEQUENT REPORT OF:

WATER SHUT-OFF [] REPAIRING WELL [] FRACTURE TREATMENT [] ALTERING CASING [] SHOOTING OR ACIDIZING [] ABANDONMENT* [] (Other) Commencement of gas sales [X]

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Commenced gas sales to pipeline on 5-2-87



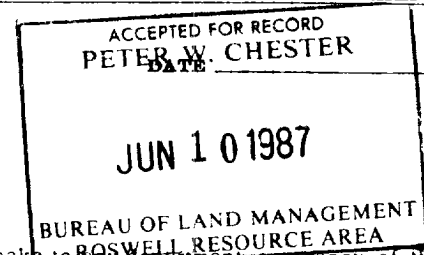
18. I hereby certify that the foregoing is true and correct

SIGNED Theresa Rodriguez TITLE Production Analyst

DATE 5-5-87

(This space for Federal or State office use)

APPROVED BY TITLE CONDITIONS OF APPROVAL, IF ANY:



*See Instructions on Reverse Side