

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Ave., Artesia, NM 87210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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

|   |  |
|---|--|
| WELL API NO.<br>30-045-31341  |  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |  |
| 6. State Oil & Gas Lease No.<br>24025   |  |
| 7. Lease Name or Unit Agreement Name<br><br>CLAYTON   |  |
| 8. Well No.<br>1B   |  |
| 9. Pool name or Wildcat<br>BLANCO MESA VERDE/BASIN DAKOTA   |  |

|  |  |
|--|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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:<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>  |  |
| 2. Name of Operator<br>CORDILLERA ENERGY, INC.   |  |
| 3. Address of Operator<br>5802 HIGHWAY 64, FARMINGTON, NEW MEXICO 87401  |  |
| 4. Well Location<br>Unit Letter <u>L</u> : <u>1980</u> Feet From The <u>SOUTH</u> Line and <u>660</u> Feet From The <u>WEST</u> Line<br>Section <u>2</u> Township <u>30N</u> Range <u>12W</u> NMPM <u>SAN JUAN</u> |  |
| 10. Elevat (Show whether DR, RKB, RT, GR, etc.)<br>5828' GR  |  |

|   |   |
|---|---|
| 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data |   |
| <b>NOTICE OF INTENTION TO:</b>  | <b>SUBSEQUENT REPORT OF:</b>                                |
| PERFORM REMEDIAL WORK <input type="checkbox"/>                                | REMEDIAL WORK <input type="checkbox"/>                      |
| TEMPORARILY ABANDON <input type="checkbox"/>                                  | ALTERING CASING <input type="checkbox"/>                    |
| PULL OR ALTER CASING <input type="checkbox"/>                                 | COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/> |
| OTHER: _____  | PLUG & ABANDONMENT <input type="checkbox"/>                 |
|   | CASING TEST & CEMENT JOB <input type="checkbox"/>           |
|   | 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.

APD/ROW  
5/4/2003  
10:00 a.m. RIH w/6 jts 9-5/8", 36# J55 STC casing. Land @ 284'.  
Cmt @ 4bpm w/25 bbl fresh wtr, 258sx (58 bbl) Class B cmt w/2% CaCl2 & 1/4#/sx cellophane mixed to 15.6 ppg (yield 1.18 cuft/sx). Cement circulated. Drop plug. Displace w/18.5 bbl wtr @ 3 BPM w/250psi. Held OK.  
WOC. Bump plug w/700 psi. Held OK.

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

SIGNATURE Kay S. Eckstein TITLE PRODUCTION TECHNICIAN DATE 27-May-03

TYPE OR PRINT NAME KAY S. ECKSTEIN TELEPHONE NO. (505) 632-8056

(This space for State Use)  
APPROVED BY Charles H. [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DISTRICT IV DATE MAY 29 2003

CONDITIONS OF APPROVAL, IF ANY: