Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office May 27, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30-039-27533 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM NMSF-078360 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 LYBROOK YARD WDW PROPOSALS.) 8. Well Number #1 Gas Well Other 1. Type of Well: Oil Well 2. Name of Operator 9. OGRID Number 149052 ELM RIDGE EXPLORATION COMPANY, LLC 3. Address of Operator 10. Pool name or Wildcat P. O. BOX 156, BLOOMFIELD, NM 87413 SWD; MESA VERDE 4. Well Location Unit Letter: B 988' FNL & 2035' FEL Section 14 Township 23 N Range 7 W **NMPM** RA County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7.080' GL Pit or Below-grade Tank Application 🗹 or Closure 🗌 Pit type: DRILLING Depth to Groundwater: >100' Distance from nearest fresh water well: >1,600' Distance from nearest surface water: >200' Pit Liner Thickness: Below-Grade Tank: Volume bbls: Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON □ REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** П **CHANGE PLANS** COMMENCE DRILLING OPNS.□ P AND A **PULL OR ALTER CASING** П MULTIPLE COMPL CASING/CEMENT JOB П TO/ OTHER: DRILLING PIT 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. I 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** TITLE: CONSULTANT DATE: MAY 12, 2006 Type or print name: BRIAN WOOD E-mail address: brian@permitswest.com Telephone No.: (505) 466-8120 For State Use Only TITLE CEPUTY OIL & GAS INSPECTOR, DIST. DATE MAY 1 5 2006 APPROVED BY: / Stand

Conditions of Approval (if any):