

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. 30-045-32645
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Fed. NMSF 078481A
7. Lease Name or Unit Agreement Name Graham
8. Well Number #1B
9. OGRID Number 141852
10. Pool name or Wildcat Basin Dakota/ Blanco Mesa Verde

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator M&G Drilling Company, Inc
3. Address of Operator c/o Walsh Engineering, 7415 E. Main St., Farmington, NM 87402
4. Well Location Unit Letter <u>H</u> : <u>2615</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>4</u> Township <u>27N</u> Range <u>8W</u> NMPM County <u>San Juan</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5887' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Reserve Depth to Groundwater >50' Distance from nearest fresh water well >1000' Distance from nearest surface water 1500'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 1500 bbls; Construction Material

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: ☐

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.

M&G Drilling Company request permission to construct a drilling reserve pit for the subject well.

RCVD JAN 20 '08  
OIL CONS. DIV.

DIST. 3

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 Paul C. Thompson TITLE Agent/Engineer DATE 1/30/08

Type or print name Paul C. Thompson, P.E. E-mail address: paul@walsheng.net Telephone No. (505) 327-4892  
**For State Use Only**

APPROVED BY: Brandon Dell TITLE Deputy Oil & Gas Inspector, District #3 DATE FEB 12 2008  
Conditions of Approval (if any):