

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Sante Fe, New Mexico 87504-2088

WELL API NO. 30-045-30286
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NM-014110
7. Lease Name or Unit Agreement Name Walker
8. Well No. 2B
9. Pool Name or Wildcat 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 checked="" type="checkbox"/> Other <input type="checkbox"/>	2. Name of Operator Koch Exploration Company	3. Address of Operator P.O. Box 489 Aztec, New Mexico 87410 (505) 334-9111
4. Well Location Unit Letter <u>O</u> : <u>660'</u> Feet From The <u>South</u> Line and <u>1712'</u> Feet From The <u>East</u> Line Section <u>10</u> Township <u>31N</u> Range <u>10W</u> NMPM County <u></u>		
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6131 GR		

11. 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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
COMMENCE DRILLING OPNS ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
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.

We Plan on completing the Lewis Shale Formation along with Blanco Mesa Verde. To accommodate the Foam Frac for Lewis Shale we need to run 4 1/2", 10.5# casing from TD to surface. In doing so we plan on changing the following casing strings as follows:
Drill 12 1/4" hole. Run New 9 5/8", 36#, J-55 casing and set @ 220' and cement to surface. WOC 12 Hours. Test Casing to 1000# before drilling out shoe.
Drill 8 3/4" hole. Run New 7", 20#, J-55 casing and set @ 3200' and cement to surface. WOC 12 Hours. Test Casing to 1000#.
Drill 6 1/4" hole. Run New 4 1/2", 10.5#, J-55 casing from surface to TD of 5350'. Will cement 4 1/2" casing up into 7" casing a minimum of 100' or TOC @ 3100' or higher. WOC 12 hours, run CBL and Test Casing to 80% or 3850#.
Along with the initial Mesa Verde completion we plan on adding the Lewis Shale in a 2 stage Foam Frac as follows:
Lower Lewis Shale 4014' - 4447' will have 50 - .38" perforations. Will complete with Foam Frac.
Upper Lewis Shale 3635' - 4014' will have 50 - .38" perforations Will complete with Foam Frac.

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

SIGNATURE Donald L. Johnson TITLE Operations Manager DATE 8/25/00

TYPE OR PRINT NAME Donald L. Johnson

TELEPHONE NO. (505) 334-9111

(This space for State Use)

APPROVED BY ORIGINAL SIGNED BY CHARLIE T. PERREN

DEPUTY OIL & GAS INSPECTOR DATE AUG 25 2000

CONDITIONS OF APPROVAL, IF ANY: