

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. 30 025 02531
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-6717

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.)		7. Lease Name or Unit Agreement Name AMERADA STATE
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		8. Well Number 3
2. Name of Operator HAL J. RASMUSSEN OPERATING, L.P.		9. OGRID Number
3. Address of Operator P O BOX 2517, MIDLAND, TEXAS 79702		10. Pool name or Wildcat YATES SEVEN RIVERS SWD
4. Well Location Unit Letter <u>G</u> : <u>2310</u> feet from the <u>NORTH</u> line and <u>1650</u> feet from the <u>EAST</u> line Section <u>13</u> Township <u>21-S</u> Range <u>34-E</u> NMPM LEA County		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3651 GL		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type <u>STEEL</u> Depth to Groundwater <u>110</u> Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

See attached procedure.

THE COMMISSION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS FOR THE C-103 TO BE APPROVED.

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 .

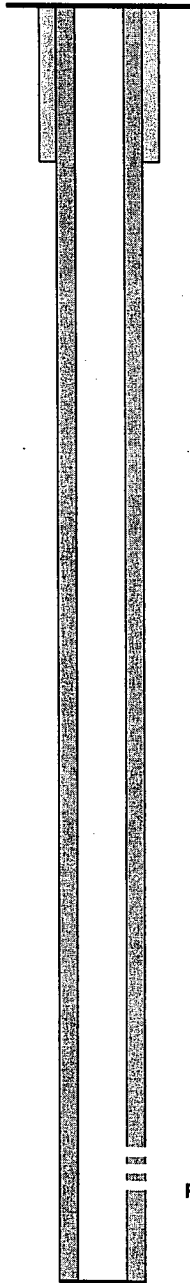
SIGNATURE Tommy Taylor TITLE AGENT DATE 10/4/2004

Type or print name TOMMY TAYLOR E-mail address: ttaylor@tetratec.com Telephone No. 432 570 5382

For State Use Only
 APPROVED BY: Gayle W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE OCT 14 2004
 Conditions of Approval (if any):

COMPANY: Hal J. Rasmussen Operating, Inc.
WELL NAME: Amerada State
WELL #: 3
API#: 30-025-02531
COUNTY: Lea

BEFORE



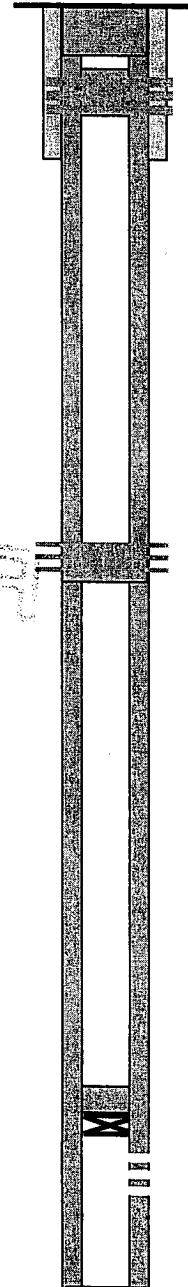
8 5/8" @ 172', cmt'd w/ 100 sx

4 1/2" @ 3656' W/ 150 SX

Perfs 3475'-3550'

TD 3773'

AFTER



20 SX F/ SURF-122'

PERF @ 222'
45 SX F/ 122'-222'

PERF @ 1800'
35 SX F/ 1700'-1800'
(TOP OF SALT 1750')

10 SX PLUG 3650'-3550'
CIBP @ 3650'

TD 3773'

**PROPOSED PLUGGING PROCEDURE FOR
HAL J. RASMUSSEN OPERATING, L.P.**

WELL: AMERADA STATE 3
FIELD: YATES SEVEN RIVERS SWD
COUNTY: LEA
TOP OF SALT: 1750' SURFACE WATER: 110'

1. MIRU; REMOVE TREE, SET BOP.
2. RIH W/ WORKSTRING & 4 ½" BIT & SCRAPER TO 3440'.
3. POOH & LD BIT & SCRAPER.
4. RIH W/ TUBING AND CIBP, SET CIBP @ 3425'.
5. RELEASE SETTING TOOL FROM CIBP.
6. CIRCULATE WELL W/ 56 BBLs 9.5 PPG MUD LADEN FLUID.
7. SET 10 SX CEMENT PLUG FROM 3325'-3425'.
8. POOH W/ TUBING, STAND BACK 1650'.
9. RU WIRELINE.
10. RIH, PERFORATE 4 ½" @ 1800'.
11. POOH, RD WIRELINE.
12. RIH W/ TUBING & 4 ½" PACKER TO 1600'.
13. ESTABLISH INJECTION RATE.
14. PUMP 40 SX CEMENT BELOW PACKER.
15. DISPLACE TOC TO 1700', WOC (TOP OF SALT).
16. LOWER TUBING TO TOC, TAG AND RECORD.
17. PULL TUBING UP TO 100'.
18. RU WIRELINE, RIH & PERFORATE 4 1/2" CASING @ 222' (SURFACE SHOE).
19. OPEN CASING VALVE, ESTABLISH CIRCULATION.
20. PUMP 45 SX CEMENT OUT PERFORATIONS, DISPLACE TOC TO 122'.
21. WOC; LOWER TUBING TO TOC, TAG AND RECORD.
22. PULL TUBING UP TO 122'.
23. SET 20 SX CEMENT INSIDE 4 ½" FROM SURFACE TO 122'.
24. CUT OFF WELLHEAD.
25. INSTALL DRY HOLE MARKER.
26. RDMO.