

Office

Energy, Minerals and Natural Resources

June 19, 2008

District I

1625 N. French Dr., Hobbs, NM 88241

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

RECEIVED

MAR 12 2009

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-005-10522	✓
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name CATO SAN ANDRES UNIT	✓
8. Well Number #32	✓
9. OGRID Number 284402	✓
10. Pool name or Wildcat CATO; SAN ANDRES	✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 9041 RDB	

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 Gas Well Other

2. Name of Operator CANO PETRO OF NEW MEXICO, INC. ✓

3. Address of Operator 801 CHERRY STREET UNIT 25 SUITE 3200
FORT WORTH, TEXAS 76102

4. Well Location
Unit Letter E: 1980 feet from the N line and 660 feet from the W line ✓
Section 10 Township 8S Range 30E NMPM County CHAVES

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

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

- SUBSEQUENT REPORT OF:**
- REMEDIAL WORK
 - COMMENCE DRILLING OPNS.
 - CASING/CEMENT JOB
 - ALTERING CASING
 - P AND A

OTHER:

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.

CLEAN OUT INJECTOR AND RAN TUBING AND PACKER.
RAN RODS AND PUMP.
PUMPING THRU PACKER.
FIRST 24 HRS: MADE 2 BBL OIL, 36 WATER AND 1MCF.

Spud Date:

Rig Release Date:

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

SIGNATURE [Signature] TITLE Regulatory Coordinator DATE 1/20/07

Type or print name CINDY CHAVEZ E-mail address: CINDY@CANOPETRO.COM PHONE: 87-698-2900

For State Use Only
APPROVED BY: [Signature] TITLE DISTRICT 1 SUPERVISOR DATE MAR 16 2009
Conditions of Approval (if any):