

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

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

OIL CONSERVATION DIVISION 2040 Pacheco St. Santa Fe, NM 87505

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

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

WELL API NO. 30-025-23898
5. Indicate Type of Lease STATE [] FEE [X]
6. State Oil & Gas Lease No. 751 SWD
7. Lease Name or Unit Agreement Name Gray #1
8. Well No. #1 SWD
9. Pool name or Wildcat SWD Renn/Bough C (96097)
10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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 SWD
2. Name of Operator John R. Stearns dba STEARNS
3. Address of Operator HC 65 Box 988, Crossroads, NM 88114
4. Well Location Unit Letter C : 660 Feet From The north Line and 3300 Feet From The east Line Section 18 Township 9S Range 34E NMPM Lea County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] CHANGE PLANS [] OTHER: []
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: change from producer to SWD. [X] as per Ad. order

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.

8/6-7/99 RIH with Model R Pkr. and 2 7/8" plastic coated tubing---set packer @ 9643 ft. with 12 points set on packer. Loaded casing with packer fluid. Mechanical integrity test: 340# held for 15 minutes.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE [Signature] TITLE OWNER DATE 8/15/99

(This space for State Use) APPROVED BY [Signature] TITLE FIELD REPRESENTATIVE II DATE [] CONDITIONS OF APPROVAL, IF ANY:

JCS N

[Handwritten mark]