

District II1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720District III1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170District IV1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462**State of New Mexico**

Energy, Minerals and Natural Resources

Oil Conservation Division**1220 S. St Francis Dr.****Santa Fe, NM 87505**

WELL API NUMBER

30-015-34936

5. Indicate Type of Lease

S

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

KARLSBAD CORRAL 2 STATE

8. Well Number

007H

9. OGRID Number

148111

10. Pool name or Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: ☐

2. Name of Operator

SOUTHWESTERN ENERGY PRODUCTION COMPANY

3. Address of Operator

2350 N. SAM HOUSTON PKWY E., SUITE 300 HOUSTON, TX 77032

4. Well Location

Unit Letter K : 2510 feet from the S line and 1980 feet from the W line
Section 2 Township 25S Range 29E NMPM Eddy County

11. Elevation (Show whether DR, KB, BT, GR, etc.)

3026 GR.

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit Type _____ Depth to Groundwater _____ 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 ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

Other:

SUBSEQUENT REPORT OF:REMEDIAL WORK ☐ ALTER CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐CASING/CEMENT JOB ☐Other: **Drilling/Cement** ☒

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.

Spudded well at 1230 Hrs 7/22/06. Drilled 12-1/4" hole to 780' MD. Ran 9-5/8" 36 ppf J-55 casing to 769'. Cemented with 325 sxs 35.65 poz @ 12.7 ppg (Yield = 1.88) followed by 200 sxs Class "C" @ 14.8 ppg (Yield = 1.34) with 25 bbls cement to surface. WOC for 21.5 hrs. NU and tested BOP's to 3000 psig. PU BHA and RIH. Tested casing to 1000 psig, ok.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
07/23/06	Surf	FreshWater	12.25	9.625	36	J-55	0	769	325	1.88	Poz "C"		1000	0	Y
07/23/06	Surf	FreshWater	12.25	9.625	36	J-55	469	769	200	1.34	C		1000	0	Y

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 Electronically Signed

TITLE Manager

DATE 7/27/2006

Type or print name Justin Bender

E-mail address justin_bender@swn.com

Telephone No. 281-618-4797

For State Use Only:

APPROVED BY: Bryan Arrant

TITLE Geologist

DATE 7/31/2006 10:28:30 AM