

Office

Energy, Minerals and Natural Resources

June 19, 2008

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Santa Fe, NM 87505

API NO.

30-025-03687

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

L-214

7. Lease Name or Unit Agreement Name

State GA

8. Well Number 6

9. OGRID Number 246798 ✓

10. Pool name or Wildcat

Caudill Devonian ✓

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 Pecos Operating Company, LLC

3. Address of Operator 400 W Illinois Suite 1210
Midland, TX 79701

4. Well Location

Unit Letter D : 660 feet from the North line and 990 feet from the West line
Section 16 Township 15-S Range 36-E NMPM Lea County11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3924' GR

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 PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐OTHER: ☐OTHER: Re Entry ☒

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.

5-10-08 Clear location, Dig out and Re-Install Wellhead.

5-13-08 Drill out surface plug, cleanout to 4500', Test 8-5/8" casing to 500 psi - OK.
Drill out cement plugs to csg stub @9013'.5-19-08 Ran 65' of 7-3/8" bowlover and 209 jts 5-1/2", 17#, J-55 csg. Cmt d w/ 550 sx
65:35 poz:C w/ 6% gel and 250 sx Cl H w/ FLA. Calc TOC - 4000'.
Release Drlg Rig & MIRU completion Unit.5-28-08 Drill out cmt in 5-1/2" csg to 9118'. Test patch to 1000 psi - OK. Drill cmt
plugs and clean out to 13,433' PBTD. Ran 2-7/8" tubing to 13,320' w/ pkr &
on-off tool @ 12,822'.

6-10-08 Perf Devonian 13,366 - 13,412'. Acidize w/ 1500 gal 15% HCl.

7-01-08 Pull tubing and install SN at 8000'. Rerun and latch back onto packer. Run rods
and pump.

7-21-08 Start well pumping 8 x 144" SPM. 7-23-08 Test: 47 BO, 343 BW, Gas - TSTM.

Spud Date: 5-13-08

Rig Release Date: 7-03-08

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

SIGNATURE William R. Huck TITLE Manager DATE 7-30-08Type or print name William R. Huck E-mail address: billh@pecoscompanies.com PHONE: 432-620-8480

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE AUG 05 2008

Conditions of Approval (if any):