abmit 3 Copies To Appropriate __tate of New Mexico Form C-10. istrict Office Revised March 25, 199 Energy, Minerals and Natural Resources ISTRICT I 525 N. French Dr., Hobbs, NM 88240 WELL API NO. 30-\$35-01163-00-00 ISTRICT II OIL CONSERVATION DIVISION 11 South First, Artesia NM 88210 Indicate Type of Lease 2040 South Pacheco ISTRICT III STATE 🔲 FEE 🛭 000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 istrict IV 6. State Oil & Gas Lease No. 040 S. Pacheco, Santa Fe, NM 87505 7. Lease Name or Unit Agreement Name: 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) Type of Well: SOUTH CAPROCK QUEEN UNIT Other Gas Well Oil Well X 8. Well No. Name of Operator Kevin O. Butler & Associates, Inc. 014 Address of Operator 9. Pool name or Wildcat POB 1171, Midland, TX 79701 CAPROCK QUEEN (08559) Well Location N : 330 feet from the South line and 1980 feet from the WEST line Unit letter Section Township Range 31E NMPM **CHAVES** County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data **NOTICE OF INTENTION TO:** SUBSEQUENT REPORT OF: 'ERFORM REMEDIAL WORK 🔲 💂 PLUG AND ABANDON 🔲 REMEDIAL WORK ALTERING CASING **CHANGE PLANS** COMMENCE DRILLING OPNS. EMPORARILY ABANDON **PLUG AND** ABANDONMENT 'ULL OR ALTER CASING MULTIPLE-CASING TEST AND CEMENT JOB COMPLETION OTHER: Remedial Assessment \Box OTHER: 2. 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 recompilation. NTENT TO T&A: THE COMMISSION MUST BE HOSPIED 24: HOURS PRIOR TO THE SPORTWING OF MURISING CHERATIONS FOR THE CIAN RIH SET CIBP AT 3000' TO BE APPROVED. PRESSURE WELL TO 500 PSI AND HOLD 30 MIN hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE TITLE President October 29, 2001 Type or print name Kevin O. Butler Telephone No.915/682-1178 BEFORE EXAMINER (This space for State use) CHRIS WILLIAMS Conditions of approval, if any:

OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION TITLE ENGINEERING MANAGER - 4 OCD EXHIBIT NO. 127 from 10/20/01