

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

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

MAY 12 2009

Form C-103
June 19, 2008

<p>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)</p>		<p>WELL API NO. 30-015-35062</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator THOMPSON, J. CLEO</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator P O BOX 12577 ODESSA, TX 79768</p>		<p>7. Lease Name or Unit Agreement Name MESA ARRIBA</p>
<p>4. Well Location Unit Letter G 1684 feet from the NORTH line and 1650 feet from the EAST line Section 10 Township 22S Range 26E NMPM County EDDY</p>		<p>8. Well Number 4</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc) 3186 GR</p>		<p>9. OGRID Number 11181</p>
		<p>10. Pool name or Wildcat HAPPY VALLEY BONE SPRING, EAST</p>

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 ☐

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.

4-2-09 Rigged up Key. SDFN

4-6-09 Rigged up Wood Group, set CIBP at 6,200', load & test csg to 3,000# w/ 4% KCL, perforate from 5,420' - 5,428', 2SPF, (6 holes) tested tbg in hole with packer to 5,000#. SDFN

4-7-09 Rigged up Cudd, spotted 2 bbls 15% HCL across perfs, pulled packer to 5,327' reverse 2 bbls, set packer, put 500# on csg, pumped 2,000 gal 15% NEFE w/100 balls, broke down at 2,397#, average press 1,710#, balled out at 3,934# w/85 balls on, max rate 4 BPM, average rate 4 bpm, ISIP-720#, 5-min 627#, 10-min 604#, 15-min 580#, shut in 1 hour, made 1 swab run, well kicked off & flowed 34 bbls of spent acid & water, well died, made 2 swab runs to SN, well dried up, recovered 42 bbls total. SDFN

4-9-09 RU BJ Services and prepare to frac the Delaware perfs from 5,420' to 5,428' Test line to 6050 psi and begin frac job Open well - had 60 psi. Frac well as follows; Total sand pumped was 13,518# - job was designed for 16,000# of sand. Leave well shut in for 4 hours before opening back to begin flowback. Total of 2,550 bbls of fluid (10# brine) to recover. Opened well, 280 psi on tbg, flowed down & made 6 swab runs, F.L. at 800' recovered 39 bbls, shut down because sand was coming back.

4-10 thru 4-16-09 Made total of 35 swab runs

CONTINUED ON PAGE 2.

Spud Date:

08/09/2006

Rig Release Date:

08/30/2006

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

SIGNATURE

Vonda Freeman

TITLE AGENT

DATE 05/11/2009

Type or print name VONDA FREEMAN

E-mail address: vfreeman@jcleo.com

PHONE: (432)550-8887

For State Use Only

APPROVED BY:

Jaquie R

TITLE

Geologist

DATE 5/25/2009

Conditions of Approval (if any):

**J. CLEO THOMPSON
MESA ARRIBA #4
COMPLETION OF DELAWARE
OCD FORM C-103
PAGE 2**

4-17-09 Well pumping good, rigged down Key.

Csg 475#, recovered 100 bbls water in 20 hrs, total of 478 bbls recovered

4-18-09 Recovered 127 bbls water, 800 psi on csg.

4-19-09 142 bbls water, 1,150 psi on csg

4-20-09 70 bbls water, 1200 psi on csg. (choke was plugged) rigging up Pro Wireline & testing today.

4-21-09 195 bbls water, 1,300 psi on csg, **made 60 mcf**. Total of 1,012 bbls recovered.

4-22-09 Made 66 mcf, 219 BW, 100 psi on tbg, 1250 psi on casing, choke on 24/64ths and H2S is 200 ppm.

4-23-09 176 mcf, 145 BW, tbg pressure @ 100 psi, casing pressure @ 250 psi, and choke on 25/64ths.

4-24-09 199 mcf, 155 BW, FL @ 811', tbg pressure @ 100 psi, casing pressure @ 150 psi, and choke on 25/64ths. NOTE: HAD SKIM OF OIL

4-25-09 212 mcf, 123 BW, 150 psi on casing

4-26-09 217 mcf, 102 BW, 150 psi on casing

4-27-09 222 mcf, 120 BW, 150 psi on casing. Total of 1,876 bbls water recovered.

4-28-09 Recovered 124 BW, 150 psi on casing, **225 mcf**. Total of 2,000 bbls water recovered, (Fluid to recover 2,550 bbls)

4-29-09 Recovered 129 BWr, 150 psi on csg, **228 mcf**. Total of 2,129 BW recovered, 421 bbls of load left to recover, shot F.L. on the 28th, **206' from surface**.

4-30-09 Recovered 126 BW, 150 psi on csg, **221 mcf**, 295 bbls of load left to recover, shot F.L. 550' from surface.

5-1-09 Recovered 70 bbls water, 150 psi on csg, **178 mcf**, 225 bbls of load left to recover.

5-2-09 Recovered 96 bbls water, 150 psi on csg, **179 mcf**, total of 2,421 bbls recovered, 129 bbls LTR.

5-3-09 Recovered 75 bbls water, 150 psi on csg, **179 mcf**, total of 2,496 bbls recovered, 54 bbls LTR. Increased tbg press from 100 psi to 450 psi on 4-30-09, decreased back to 100 psi today. (Had a decrease in water & gas w/ higher pressure.)

5-4-09 Recovered 91 bbls water, 150 psi on csg, 100 psi on tbg, **211 mcf**, 2,587 bbls recovered, LTR was 2,550 bbls.

5-5-09 Recovered 114 bbls water, 150 psi on csg, 100 psi on tbg, **217 mcf**, 2,701 bbls of water recovered, (151 bbls over water pumped during frac job)

5-6-09 Recovered 120 bbls water & 223 mcf in 31 hrs. 150 psi on csg, 100 psi on tbg, 2,821 bbls of water recovered, 271 bbls over. Shut well in.