Submit 3 Copies to Appropriate District Office

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

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-103
Revised 1-1-89

WELL API NO.
30-005-62370-0000

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No.
LG-5565

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.)

7. Lease Name or Unit Agreement Name
Inexco State

1. Type of Well:
OIL WELL [ ] GAS WELL [XX] OTHER

2. Name of Operator
McKay Oil Corporation

8. Well No.
#5

3. Address of Operator
P.O. Box 2014, Roswell, NM 88202

9. Pool name or Wildcat
W. Pecos Slope Abo

4. Well Location
Unit Letter K : 1980 Feet From The South Line and 1980 Feet From The West Line

Section 33 Township 5S Range 22E NMPM Chaves County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
4113'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[XX]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER:			[ ]

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.

McKay Oil Corporation requests this well be placed in temporary abandonment status for a period not to exceed twelve months, McKay Oil is experimenting with a new frac procedure which may increase the production from this well from the existing producing zones.

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

SIGNATURE Bill J. Milstead TITLE Vice President DATE 6-9-98

TYPE OR PRINT NAME Bill J. Milstead TELEPHONE NO. 623-4735

(This space for State Use)

APPROVED BY Mark Stubblefield TITLE Field Rep II DATE June 16, 98

CONDITIONS OF APPROVAL, IF ANY: