Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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

OIL CONSERVATION DIVISION

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

WELL API NO. 3000562370

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 [X] OTHER

2. Name of Operator: McKAY OIL CORPORATION

8. Well No. #5

3. Address of Operator: P. O. BOX 2014, ROSWELL, NM 88201

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 S 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	[X]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[X]
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 plans to plug and abandon this well as follows:

1. Set CIBP @ 2935'
2. Set 5 sks cement plug 2935' to 2900' approx. 35'.
3. POH
4. Cut 4 1/2" @ 2894'.
5. Set 25 sks cement plug across 4 1/2 stub 2900' to 2894'.
6. WOC- Tag plug
7. Set 50 sks cement plug across 8 5/8 shoe ~~1014~~ 964' to 914'. 964' to 865'.
8. WOC Tag Plug ~~865~~.
9. Set 30 sks cement plug 100' to surface
10. Brine gel between all cement plugs. Notify NMOCD to witness plugging operations.
11. Install dry hole marker and clear location

McKay Oil anticipates having this well plugged and abandoned on or before February ~~28th, 1999~~

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

SIGNATURE Billy J. McKay TITLE Vice-President DATE 2-25-99

TYPE OR PRINT NAME TELEPHONE NO.

(This space for State Use)

APPROVED BY Mike Stubblefield TITLE Field Rep. II DATE 3-2-99