

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103

Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-015-30920

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 B6846

7. Lease Name or Unit Agreement Name:
 STATE '20B'

8. Well No.
 3

9. Pool name or Wildcat (28509)
 Grayburg Jackson-7R's, QN, GB, SA

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.)

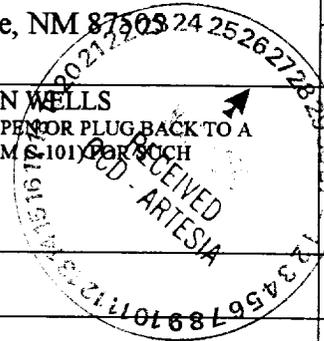
1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Clayton Williams Energy, Inc.

3. Address of Operator
 Six Desta Drive, Suite 3000, Midland, Texas 79705

4. Well Location
 Unit Letter A : 430 feet from the north line and 990 feet from the east line
 Section 20 Township 17S Range 29E NMPM Eddy County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3613'



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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>SPUD</u>	<input type="checkbox"/>

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

3/13/00: Spud 12-1/4" hole at 10:00 p.m. 3/13/2000. Drilling Contractor: Key Energy Services, Rig #22

3/14/00: Drill 12-1/4" hole to 465'. Run and set 10 jts. of 8-5/8" 24# K-55 ST&C casing, set at 465'. Cement with 300 sx. of Class "C" cement with 2% S1 + 1/4 #/sx. Flocele. Circulate approx. 40 sx. to surface. WOC 18 hrs.

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

SIGNATURE John F. Kennedy TITLE Drilling Manager DATE 3/23/00

Type or print name John Kennedy Telephone No. (915) 682-6324

(This space for State use)

APPROVED BY Jim W. Seem TITLE SUPERVISOR, DISTRICT II DATE 4-3-00

Conditions of approval, if any:

