STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION ENTRY STORY Form C-103 P. O. BOX 2088 DISTRIBUTION Revised 10-1-78 SANTA FE SANTA FE, NEW MEXMIN 8/901:85 FILE Sa. Indicate Type of Lease U.S.G.S. O. C. Is. State XX LAND OFFICE ARTESIA, OFFICE 5. State Oil 6 Gas Lease No. OPERATOR SUNDRY NOTICES AND REPORTS ON WELLS S FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OF PLUG BACK TO'A DIF 7. Unit Agreement Name WELL X OTHER-8. Farm or Lease Name 2. Name of Operator Costa Resources Inc. U. Two Forks State 9. Well No. 3. Address of Operator 3303 Lee Parkway, Suite III, Dallas, Texas 75219 10. Pield and Pool, or Wildcat 4. Location of Well Upper Penn 1600 South TOWNSHIP 185 15. Elevation (Show whether DF, RT, GR, etc.) 12. County 3651' GL Eddy Check Appropriate Box To Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: CASING TEST AND CEMENT JOS OR ALTER CASING 17. 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. Work is set to begin on this remedial work approximately 3-12-85 Set retrievable bridge plug at approximately 10,574', to temporarily abandon the Morrow perforations; top perforation is at 10,624. 2.) Spot 250 gallons 10% Acetic Acid at 9810' K.B. Perforate (Upper Penn) one shot per interval as follows: A. 9787' and 9789' K.B. (2 holes) B. 9793', 9795', 9797', 9799', K.B. (4 holes) C. 9805', and 9807' K.B. (2 holes) 4.) Displace acid and swab and/or flow test. 5.) Retreat and test as necessary. Run CAOF test. 6.) 18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Agent

ORIGINAL SIGNED

BY LARRY BROWNS
GEOLOGIST - NMOCD

MAR 12 1985

CONDITIONS OF APPROVAL, IF ANY: