State of New Mexico

Submit 3 Copies to Appropriate District Office Energy, Minerals and Natural Resources Department DISTRICT I OIL CONSERVATION DIVISION WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 Santa Fe, New Mexico 87504-2088 5. Indicate Type of Lease STATE X FEE L DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. L-6654 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS/RECEIVED State "19" Com. 1. Type of Weil: MET OTHER 2. Name of Operator MAY 29 '90 8. Well No. Southland Royalty Company 3. Address of Operator 9. Pool name or Wildcat O. C. D. 21 Desta Dr., Midland, TX 79705 South Millman (Morrow) ARTESIA OFFICE Well Location 860 Feet From The South Unit Letter N 2057 Feet From The West Line and Line Township 19 South Range 28 East NMPM Eddy County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3493'GR. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK **ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMEN **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB x OTHER: Add Perforations in the Upper Morrow 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. Set CIBP @10,720' & bail 35' of cement on top. Add perforations in upper Morrow according to the attached procedure. I hereby cartify that the information above is true and complete to the best of my knowledge and belief.

TILE Sr. Staff Env./Reg. Specialist DATE 24 May 1990 TELEPHONE NO. 915-686-5678 TYPEORPROTINAME Robert L. Bradshaw ORIGINAL SIGNED BY 111 11 17 (This space for State Use) MIKE WILLIAMS MAY 3 1 SUPERVISOR, DISTRICT IT APPROVED BY-TITLE