Submit 3 Copies to Appropriate District Office	State of Ne gy, Minerals and Natu OIL CONSERVA	t	asr	Form C-103 Revised 1-1-89	
<u>DISTRICT I</u> P. O. Box 1980, Hobbs, NM 88240	Sata Fe, New	WELL API NO. 30-015-21166			
DISTRICT II 811 S. First St., Artesia, NM 88210-2834 DISTRICT III	MAR 0 5 1997		5. Indicate Type of Lease STATE X FEE		
1000 Rio Brazos Rd, Aztec, NM 87410	OIL C	6. State Oil & Gas Lease No.			
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 Ocotillo Hills		
1. Type of Well: OIL GAS WELL WELL X OTHER					
2. Name of Operator Hallwood Petroleum, Inc.			8. Well No. 1		
3. Address of Operator P. O. Box 378111, Denver, CO 80237			9. Pool name or Wildcat Avalon Wolfcamp		
4. Well Location Unit Letter F 1650		h Line and1 26E			lest Line
Section 21 Township 21S Range 26E NMPM Eddy County Interval <t< td=""></t<>					
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:					
PERFORM REMEDIAL WORK	PLUG AND ABANDON X CHANGE PLANS	REMEDIAL WORK COMMENCE DRILLING CASING TEST AND C OTHER:		ALTERING C PLUG AND ABA	—
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.					
Hallwood plans to plug and abandon this well that has been shut in for almost 4 years. A review of the well and future potential for possible uphole Delaware recompletion indicates that it is not economically justified and the well is low structurally. Hallwood plans to do this late in March 1997. Netify N.M.O.C.C. in sufficien time to witness deficien					
the plugs ensing					
I hereby certify that the information above is true and complete to the best of my knowledge and belief. Production Reporting SIGNATURE					
TYPE OR PRINT NAME Nonya P		11-4-4	TELEPH	ONE NO.	303-850-6257
(This space for State Use) APPROVED BY	Bur BGA TITLE	kuhut	Sifewison		10-97

CONDITIONS OF APPROVAL, IF ANY:

OCOTILLO HILLS COM #1

Proposed Plugging Procedure

- MIRUSU or casing pulling unit. 1)
- ND tree and NU BOP. 2)
- TIH with open-ended rental string of tubing to 7,100'. 3)
- Displace casing with plug mud/brine, then pump a 200' (50 4) sack) cement plug.
- Pull up to 5,800', WOC, then TIH and tag cement plug. TOH 5) w/tubing.
- RU casing jacks and freepoint to cut 5 1/2" 17-20# casing as 6) deep as possible.
- TOH laying down \$ 1/2" casing. CASING STUD 7)
- TIH with open-ended tubing to denote and spot a 200' (50 sack) 8) cement plug. Tay STUB
- Pull up to 2,600' and pump a 200' (75 sack) surface casing 9) shoe plug. NOTE: Casing shoe is at 2,600'. Tag Shoe.
- Pull tubing to 500' and pump a 200' (75 sack) cement plug. Tag Shoe 10) Pull to 100 and pump cement to surface.
- 11)
- TOH, cut off wellhead, install dryhole market, remove all 12) equipment and restore location.

Pertinent Formation Tops

1976' Base of Reef 32471 Delaware "X" Marker 4378' Top of Bone Spring Lime 5663' Top of 1st Bone Spring Sand 6378' Top of 2nd Bone Spring Sand 78551 Top of 3rd Bone Spring Sand 8220' Top Wolfcamp

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