

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-79

NOV 15 1991

O. C. D.

5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. L-1582

SUNDRY NOTICES AND REPORTS ON WELLS ARTESIA OFFICE
(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. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator MICHAEL P. GRACE DBA GRACE ENERGY	8. Farm or Lease Name GRADONOCO COM
3. Address of Operator P. O. BOX 207, CARLSBAD, N.M. 88220	9. Well No. 1
4. Location of Well UNIT LETTER <u>H</u> , <u>2500</u> FEET FROM THE <u>NORTH</u> LINE AND <u>330</u> FEET FROM THE <u>EAST</u> LINE, SECTION <u>2</u> TOWNSHIP <u>23S</u> RANGE <u>26E</u> NMPM.	10. Field and Pool, or Wildcat SOUTH CARLSBAD MORRO
15. Elevation (Show whether DF, RT, GR, etc.) 3262	12. County EDDY

16. 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"/>	OTHER <input checked="" type="checkbox"/> Plug back and complete in <u>Wolfcamp STRAWN</u>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

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.

Rig up. Run in hole with C.I. Bridge Plug set @ 11, ^{260'}~~110'~~
Cement top of Bridge Plug with 35 feet of cement.
Perforate Wolfcamp 10474 - 10504 with 44 holes, Acidize.
Will notify when rig hired and date of rig up.

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

SIGNED Quentin P. Jones TITLE Agent DATE 11/13/91

APPROVED BY ORIGINAL SIGNED BY MIKE WILLIAMS SUPERVISOR, DISTRICT II TITLE DATE DEC 2 1991
CONDITIONS OF APPROVAL, IF ANY: