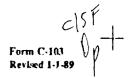
Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department



DISTRICT

OH CONCEDUATION DIVIDION

P.O. Box 1980, Hobbs, NM 88240	JIL CONSERVATIO		WELL API NO.
DISTRICT II	P.O. Box 208 Santa Fe, New Mexico	88 8750 8ECEP/ED	30-015-21081
P.O. Drawer DD, Artesia, NM 88210 DISTRICT III	bulled 1 c, 14c w Wexley	AUG 1 4 1991	5. Indicate Type of Leake STATE XX FEE
1000 Rio Brazos Rd., Aztec, NM 87410		O. C. D.	6. State Oil & Gas Lease No. IG-9681
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)			7. Lease Name or Unit Agreement Name
I. Type of Well: OIL GAS WELL WELL XX	OTHER		CHELSI
2. Name of Operator			8. Well No.
H. E. LEE 3. Address of Operator			1
1306 Meadow Lane Roswell, New Mexico 88201 4. Well Location			9. Pool name or Wildcat Wildcat
Unit Letter :	Feet From The South	Line and 1980)' Feet From The East Line
Section 2	Township 26 South Ra	nge 25 East	NMPM Eddy County
11. Check And	7/// 3687' CR	Sture of Notice De	anast or Other Date
Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 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 ABANDONMENT
PULL OR ALTER CASING	CASING TEST AND CEMENT JOB		
OTHER:		OTHER: Continuous Operations x	
12. Describe Proposed or Completed Operations work) SEE RULE 1103.	(Clearly state all pertinent details, an	d give pertinent dates, includ	ling estimated date of starting any proposed
7-12-91 thru 7-15-91 Clean out well fro	m 300' down to 347'.	Shut down for h	neavy rains.
7-19-81 thru 7-25-91 Dig cellar out and washed in by heavy	9	ellbore from fil	llup of mud and gravel
7-29-81 thru 8-05-91 Clean wellbore bac	k out to 347'. Conti	nue drilling do	wn to 355'.
8-8-91 thru 8-12-91 Drill down to 415'	. Drilling cement.		
I hereby certify that the information above is the and	complete to the best of my knowledge and	belief.	
SKINATURE TO SKINATURE	Tu m	OWNER	DATE 8-13-91
TYPE OR PRINT NAME H. E. "GENE	" LEE		TELEPHONE NO. 622-7355
(This space for State Use) ORIGINAL SAG	NED BY		

MIKE WILLIAMS

SUPERVISOR, DISTRICT H TIME -

AUG 1 4 1991

CONDITIONS OF APPROVABLE ANY: