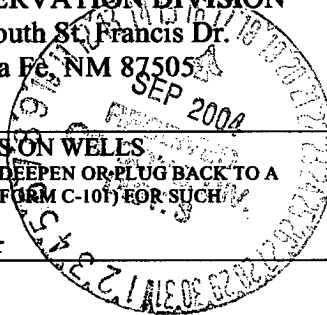


Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505



WELL API NO. 3003922506
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. SF 080565-A
7. Lease Name or Unit Agreement Name Schalk Gulf
8. Well Number 3A
9. OGRID Number 11996
10. Pool name or Wildcat Blanco Mesa Verde

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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
John E. Schalk

3. Address of Operator
P.O. Box 25825, Albuquerque, NM 87125

4. Well Location
 Unit Letter _____ : **1,700** feet from the **North** line and **905** feet from the **East** line
 Section **6** Township **25N** Range **3W** NMPM County **Rio Arriba**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7,418' GR

Pit or Below-grade Tank Application or Closure

Pit type **Workover** Depth to Groundwater **700'** Distance from nearest fresh water well **>1000'** Distance from nearest surface water **>1000'**

Pit Liner Thickness: **12** mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" 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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Propose to dig and line pit 12' x 12' x 6' to hold cement waste fluid from work to repair hole in casing. Pit will be greater than 100' from groundwater, greater than 1,000' from nearest fresh water well, and greater than 1,000' from nearest surface water. Pit will be closed in accordance with NM OCD Rules.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NM OCD guidelines a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE [Signature] TITLE Agent DATE 9/10/04

Type or print name _____ E-mail address: _____ Telephone No. _____

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. DATE SEP 17 2004

Conditions of Approval (if any): _____