

OIL CONSERVATION DIVISION

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

P.O. BOX 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.

30-045-26494

5. Indicate type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Kelly

8. Well No.

1

9. Pool name or Wildcat

Grassy Gallup

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

Redwolf Production, Inc.

3. Address of Operator

P. O. Box 5382 Farmington, NM 87499

4. Well Location

Unit Letter P : 990 Feet From The South Line and 880 Feet From The East Line

Section 25 Township 30N Range 15W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

5365' GR

11. 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: ☐

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.

Redwolf Production, Inc. proposes to drill out the drillable bridge plug set at 5330' and return the Basin Dakota formation to production. The well will be cleaned out to the PBD of 5595'. We will land 2 3/8" tubing at approximately 5555' and commingle production from the Grassy Gallup and Basin Dakota formations. The Basin Dakota and Grassy Gallup formations have identical ownership. Once commingled production is established, production will be allocated based on historical Gallup production rates, and we will file a C-103 with the calculated production percentages.

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

SIGNATURE

Dana L. Delventhal

TITLE

Vice President

DATE

3/21/05

TYPE OR PRINT NAME

Dana L. Delventhal

TELEPHONE NO. (505) 326-4125

(This space for State Use)

APPROVED BY

[Signature]

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 4

DATE

MAR 22 2005

CONDITIONS OF APPROVAL, IF ANY:

No Dana hole commingle order. PLC 187 - Surface commingle only
HOLD C104 FOR DHC order