Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office May 27, 2004 Energy, Minerals and Natural Resources District 1 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30-045-33768 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. **District IV** 1220 S. St. Francis Dr., Santa Fe, NM 35732 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Memgem Walters 34 DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well Other 2. Name of Operator 9. OGRID Number 20208 San Juan Resources, Inc 3. Address of Operator 10. Pool name or Wildcat c/o Dean Collins, 4201 Terrace Drive, Farmington NM 87402 Blanco Mesa Verde/Basin Dakota 4. Well Location Unit Letter 1980 feet from the South line and 885 feet from the East line 34 Township 32N NMPM San Juan Section Range 13W County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5589' GR Pit or Below-grade Tank Application 🛛 or Closure 🗌 Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Pit Liner Thickness: 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 □ PLUG AND ABANDON \Box REMEDIAL WORK ALTERING CASING □ TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS.⊠ P AND A П **PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB** П OTHER: Change Location OTHER: 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. 8/12/2006-8/16/2006: MIRU Bearcat rig #3. Spudded hole @ 1400 hrs 8/13/2006. Drilled 12-1/4" hole to 310'. 8/15/2006: Ran 7 its 8-5/8" 24# J-55 ST&C casing to 295' and cemented w/ 300 sx Class G cement containing 2% CaCl and 1/4/sx flocele. Displaced w/ 16 bbls water. WOC. NU and test BOP. 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 NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan. SIGNATURE **\(\)** TITLE Agent **DATE** August 27, 2006 Type or print name Dean C. Collins E-mail address: collinsd@zianet.com Telephone No. (505) 320-6425 For State Use Only APPROVED BY: H. Villanueva TIT Conditions of Approval (if any): Need Pt on 858csG. TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 43 DATE AUG 29 2006

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