

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. 30-045-28427
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. SF-078046
7. Lease Name or Unit Agreement Name Hughes 29L
8. Well Number: #1
9. OGRID Number
10. Pool name or Wildcat

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 Kukui Operating Company

3. Address of Operator 14933 Hwy 172
PO Box 369 Ignacio, CO 81137

4. Well Location

Unit Letter L : 1465 feet from the S line and 1065 feet from the W line
Section 29 Township 29N Range 8W NMPM SAN JUAN County

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

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: _____ 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Return Well to Production due to spacing amendment ☒

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.

Kukui Operating Company requests permission to return this well to production as a 160 acre infill to the BW Federal 29-29-8 #101, API 30-045-31180. This well was SI to horizontally drill and complete the BW Federal 29-29-8 #101 in 2002. The BW Federal 29-29-8 #201 is a working well bore for the horizontal well, and is shut in (non producing well).

Rule #7(d) of R-8768-F (Well Density) of the "Special Pool Rules and Regulations for the Basin-Fruitland Coal Gas Pool" states:

"(I) Well density within the "Low Productivity Area ":

No more than two (2) wells per standard 320-acre gas spacing unit may be located in the "Low Productivity Area" of the pool as follows:

(i) the OPTIONAL INFILL WELL drilled on an existing spacing unit shall be located in the quarter section not containing the INITIAL Fruitland coal gas well

RCVD AUG 15 '07
OIL CONS. DIV.
DIST. 3

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 NMOC guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

TITLE

DATE

Type or print name

E-mail address:

Telephone No.

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

The 101 Horizontal is in both 1/4 sections and works as 2 Fruitland completions for the W/L Sec 29