

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
June 19, 2008

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

WELL API NO. 30-045-33769
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Blancett Ranch 24
8. Well Number 1
9. OGRID Number 20208
10. Pool name or Wildcat Blanco Mesa Verde/Basin Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5635' GR

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
San Juan Resources, Inc.

3. Address of Operator
1499 Blake Street 10C, Denver, CO 80202

4. Well Location
Unit Letter H : 2435 feet from the North line and 450 feet from the East line
Section 24 Township 30N Range 12 E NMPM San Juan County

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 ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐ RCVD AUG 29 '08
OIL CONS. DIV.
DIST. 3

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.

San Juan Resources proposes to change the planned casing and cementing program for this well as follows: A 12-1/4" hole will be drilled to 320' where 9-5/8" 36# J-55 ST&C casing will be set and cemented to surface with 225 sx (261 cuft) neat cement. An 8-3/4" hole will then be drilled to approximately 4100' with fresh water mud where 7" 23# J-55 LT&C casing will be set and cemented to surface with 500 sx (835 cuft) 65/35 Pox cement with additives followed by 100 sx (116 cuft) neat cement. A 6-1/8" hole will then be drilled to approximately 6800' with air/nitrogen where 4-1/2" 11.6# K-55 and N-80 LT&C casing will be set and cemented to at least 4000' (100' inside 7" casing) with 380 sx (507 cuft) 50/50 Pox cement with additives. The Dakota and Mesa Verde formations will be selectively perforated and completed.

It is planned to use two drilling rigs to drill this well. The first will drill the surface hole, run casing and cement the casing. The second rig will be used to drill, case and cement the intermediate and production strings. 2000 psi double ram preventers will be used while drilling both holes and will be tested to 2000 psi. Drilling is expected to occur during September/October 2008.

Spud Date:

Rig Release Date:

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

SIGNATURE Dean C. Collins TITLE Agent DATE 8/18/2008

Type or print name Dean C. Collins E-mail address: collinsd@zianet.com PHONE: 505-320-6425

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, DATE SEP 05 2008

Conditions of Approval (if any):

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