

Submit 1 Copy 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  
October 13, 2009

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

WELL API NO. <b>30-031-20611</b>
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 <b>Hospah Sand Unit</b>
8. Well Number <b>93</b>
9. OGRID Number <b>256689</b>
10. Pool name or Wildcat <b>Upper Hospah</b>

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: <b>Injection Well</b>	
2. Name of Operator <b>Nacogdoches Oil &amp; Gas Inc.</b>	
3. Address of Operator <b>PO Box 23418 Nacogdoches TX. 75963</b>	
4. Well Location Unit Letter <b>C</b> : <b>2010'</b> feet from the <b>West</b> line and <b>770'</b> feet from the <b>North</b> line Section <b>1</b> Township <b>17N</b> Range <b>9W</b> <b>NMPM</b> <b>McKinley</b> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>6954' GR</b>	

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF: Supplemental</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" 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"/>	<b>RCVD NOV 10'10</b>
DOWNHOLE COMMINGLE <input type="checkbox"/>			<b>OIL CONS. DIV.</b>
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	<b>DIST. 3</b>

The following attempts have been made to repair the HSU #93 and bring into compliance:

5-18, 19, 2010- Back off old casing at 80' to repair, replace with new casing. Well failed MIT.

6-21-2010- Attempt suicide squeeze, dump sand to TD and cover perforations, place 20 sks cement on top of sand plug.

6-22-2010- RIH with swab bar to check TOC.

7-5-2010- Mix up 50 sks cement, pump into holes, Shut in to let cement set up.

7-6-2010- Pressured up to 200 psi, leaked off in 4 hours.

7-12-2010- Mix up 50 sks Portland, pump cement into casing holes. Shut down for cement to set up.

7-15-2010- Pressure up on casing to 500 psi, pressure bled off immediately. Mix 50 sks cement, pump into casing at 420 Psi-shut down.

7-19-2010- Pressure up on casing to 300 psi, leak off to 100 psi within minutes. Shut down to make another attempt.

7-21-2010- Mix up another 50 sks cement, pumped cement away until pressured to 950 psi. Shut down for setup.

7-22-2010- Pressured up on casing to 500 psi, bled off to 100 psi in a few minutes. Make another squeeze attempts.

7-24-2010- Cement at 5' from surface. Start drilling out cement to 162'

7-25-2010- Drilling out cement from 162'-500'.

7-26-2010- Tested casing, still leaking off. RIH with tubing/packer to pin point hole. Found hole between 126'-150'. Mix up 50 sks cement to 15.2 ppg, pump into casing at 300 psi, shut well in:

8-6-2010- GIH with bit/drill stem, hit cement @ 136', drill down to 268'.

8-7-2010- GIH with tubing/packer, run down to 129'. Pressure up tubing/ casing to 400 psi, leaked off.

8-7-2010- Mix up 12 bbl of LSM, pump down @400 psi. POOH, LD tubing/packer.

8-7-2010- Mix 50 sks cement, pump in at 400 psi, displace with 10 bbls water. SI.

8-8-2010- Open well, 0 psi on casing. Mix up 10 bbl, LCM, pump in at 300#. Mix 25 sks cement, pump away @300#. SI.

8-13-2010- Pressure up on casing to 300#, leak off in 15 sec. SI. Move equipment to HSU 84.

8-19-2010- OW, 0# on casing. RIH with tubing, found TOC @ 20'. Mix up 3 sks cement, pump into casing @500 psi. SI.

8-23-2010- OW, 0# on casing. TOC @ 2'. RIH with bit, drill down to 223'. SD.

8-24-2010- OW, 0# on casing. Drill down to 370'. SD.

8-25-2010- OW, 0# on casing. Drill down to 410'. Mix 25 sks cement, pump @ 600 psi. SI @600#.

8-28-2010- OW, 0# on casing. SI.

Well is not salvageable. Plan to Plug & Abandon.

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 [Signature] TITLE UP Exp DATE 11-10-10

Type or print name Mike Aike E-mail address: mike.ailke@dogh.co PHONE: 98-260-7620

**For State Use Only**

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector,  
District #3 DATE 11-19-10

Conditions of Approval (if any):