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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103  
Supersedes Old  
C-102 and C-103  
Effective 1-1-63

5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. L-2986

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. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name NONE
2. Name of Operator Kenai Oil and Gas Inc.	8. Farm or Lease Name St. of New Mexico 36
3. Address of Operator 717 17th Street, Ste. 2000, Denver, CO 80202	9. Well No. #43
4. Location of Well UNIT LETTER <u>I</u> <u>1780</u> FEET FROM THE <u>South</u> LINE AND <u>350</u> FEET FROM THE <u>East</u> LINE, SECTION <u>36</u> TOWNSHIP <u>24N</u> RANGE <u>8W</u> NMPM.	10. Field and Pool, or Wildcat Lybrook Gallup Ext.
15. Elevation (Show whether DF, RT, GR, etc.) 6937' GR	12. County San Juan

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data  
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	OTHER <u>Well status</u> <input checked="" type="checkbox"/>

17. 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.

Ran production casing as follows: 143 jts, 14#, casing and set at 5738'KB. 1st stage: cmt w/10 bbls CW-100 and 25 bbls Spacer 3000 followed by 275 sxs 50/50 Pozmix with Class H cmt and 10% salt, 2% gel, and 0.6% flo-seal. Full circ throughout job. Plug down @ 9:30 a.m., 5/9/81. 2nd stage: open collar at 10 a.m. and cmt w/10 bbls CW-100 plus 25 bbls Spacer 3000 and 800 sxs 65/35 Pozmix plus 12% gel, and tailed in with 50 sxs Class B cmt. Closed tool at 12:30 p.m., 5/9/81. Full circulation. Circ 20 bbls excess cmt to surface from 1st stage when stage collar was open and 145 bbls excess cmt to surface from 2nd stage cmt. Set slips w/70,000#.

Released rig at 6:30 p.m., 5/9/81. Presently waiting on completion rig.

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

SIGNED George B. Judd TITLE Manager - Drilling and Production DATE 5/11/81

Original Signed by FRANK T. CHAVEZ

APPROVED BY FRANK T. CHAVEZ TITLE SUPERVISOR # 1 DATE MAY 18 1981

CONDITIONS OF APPROVAL, IF ANY: