

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

RECEIVED
 OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505
 APR 10 2012
HOBBSUOD

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.)		WELL API NO: 3002526369
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator: Agave Energy Company		6. State Oil & Gas Lease No.
3. Address of Operator 104 S. Fourth St., Artesia NM 88210 (575-748-4528)		7. Lease Name or Unit Agreement Name Government L Com.
4. Well Location Unit Letter _____ K: 1980 feet from the _____ S line and 1800 feet from the _____ W line Section 18 Township 24S Range 34E NMPM Lea County		8. Well Number #2
11. Elevation (Show whether DR, RKB, RT, GR, etc.):		9. OGRID Number 147831
		10. Pool name or Wildcat W. Pitchfork Ranch Atoka

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/> Replug to cement off Cherry Canyon per NMOCC R-13507		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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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 19.15.7.14 NMAC. For Multiple Completions, Attach wellbore diagram of proposed completion or recompletion.

The Cherry Canyon lies between 6,150 and 6,450' in this well. NMOCD files show that the 7.625" casing was set in a 12,800' 9.875" borehole, and cemented with 630 sacks of cement. Calculated volumes indicate that the top of cement (TOC) would only reach to depths of 10,960' (1.0 cubic ft per sack) to 9,900' (1.5 cubic ft per sack). In any case, the Cherry Canyon interval will be uncased and uncemented in the 9.875" bore. Proposed replugging (see attached diagram) includes:

- Find the location and excavate the well head, and construct a temporary cellar
- Move in and rig up a workover rig, open the 13.375" casing and nipple up an appropriate BOP
- Drill out existing cement plugs at surface, 550' and drill out open or caved hole from 608' to 2373' including cement plug at 1,150'
- Drill out cement plug at 2373' and reenter the 10.75" cased hole at 2373' and continue to clean hole to 5,450'
- Drill out plug at 5450' and clean the open or caved 12.25" hole to approximately a depth of 6,700' (250' below base of Cherry Canyon)
- Set a balanced plug at approximately 6,550' and cement the Cherry Canyon up to 6,050' using approximately 500 sacks of cement.
- Wait on cement for 6 hours
- Replace former cement plugs to plug well based on current NMOCD guidelines or requirements
- Remove BOP, weld top plate, and reclaim site to original status

The Oil Conservation Division Must be notified 24 hours prior to the beginning of plugging operations.

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

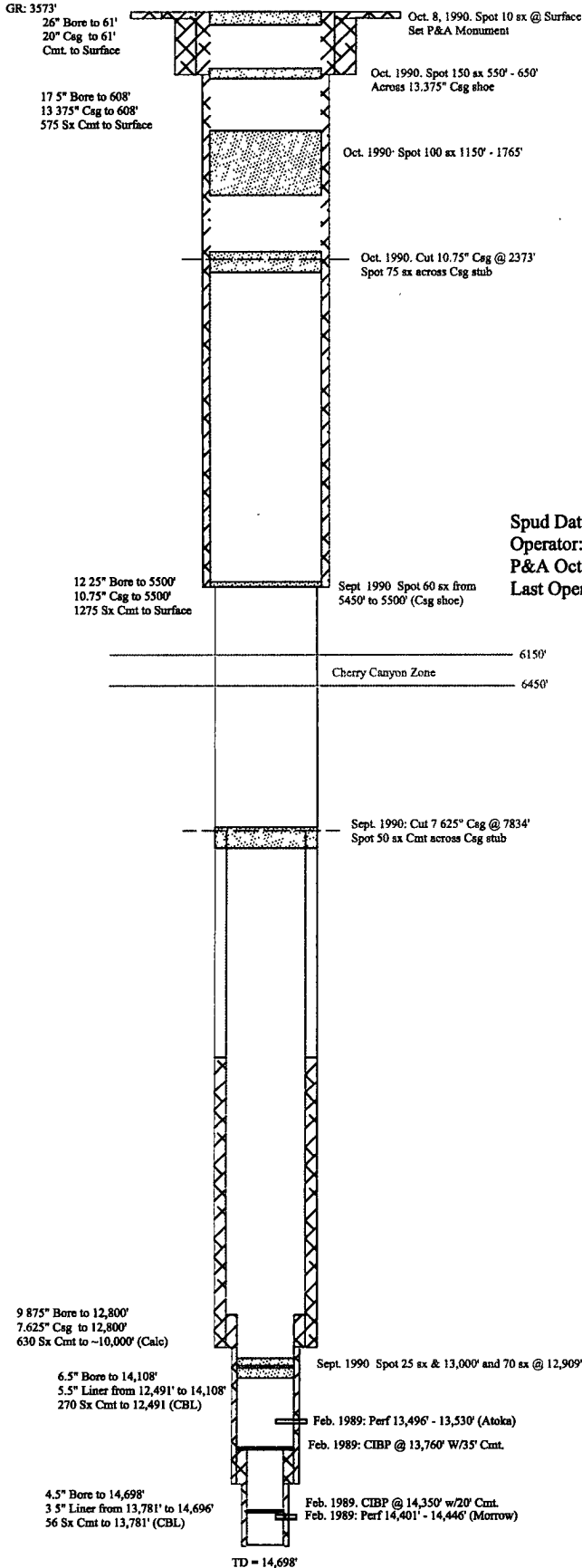
SIGNATURE [Signature] TITLE Consultant to Agave Energy Company DATE 4/9/2012

Type or print name: Alberto A. Gutierrez, RG E-mail address: aag@gcolex.com PHONE: 505-842-8000
For State Use Only

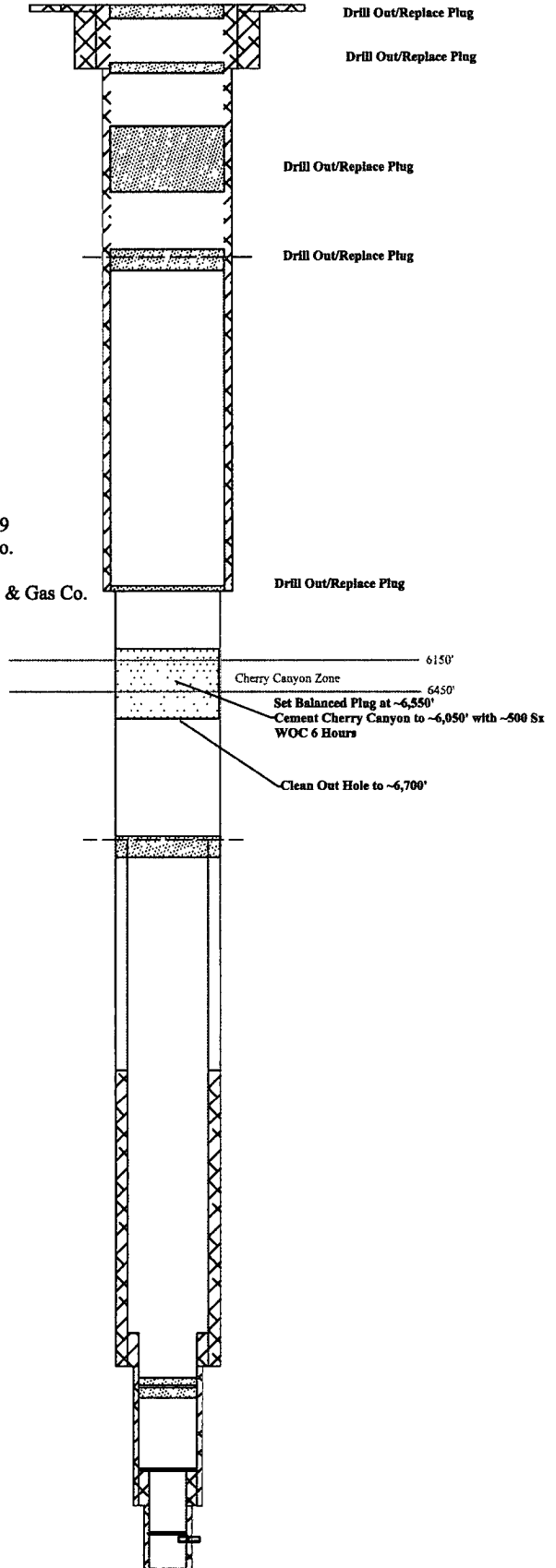
APPROVED BY: [Signature] TITLE STATE MGR DATE 4-10-2012
 Conditions of Approval (if any):

APR 10 2012

Proposed Re-Plugging Program



Spud Date: Sept. 15, 1979
 Operator: Superior Oil Co.
 P&A Oct. 8, 1990
 Last Operator: Enron Oil & Gas Co.



Proposed Plugging Program for Government "L" Com #2