

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
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. 30-025-10694
5. Indicate Type of Lease STATE ☒ FEE ☒
6. State Oil & Gas Lease No. 310978-00
7. Lease Name or Unit Agreement Name: SKELLY PENROSE "A" UNIT
8. Well Number 41
9. OGRID Number 000873
10. Pool name or Wildcat LANGLE MATTIX 7 RIVERS-O-GRAYBURG

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 ☐	7. Lease Name or Unit Agreement Name: SKELLY PENROSE "A" UNIT
2. Name of Operator GRUY PETROLEUM MANAGEMENT COMPANY ATIN: DON ALDREIDGE	8. Well Number 41
3. Address of Operator P.O. BOX 140907, IRVING, TEXAS 75014-0907	9. OGRID Number 000873
4. Well Location Unit Letter A : 600 feet from the NORTH line and 660 feet from the EAST line Section 10 Township 23S Range 37E NMPM County LEA	10. Pool name or Wildcat LANGLE MATTIX 7 RIVERS-O-GRAYBURG
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,298' DF	
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 COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

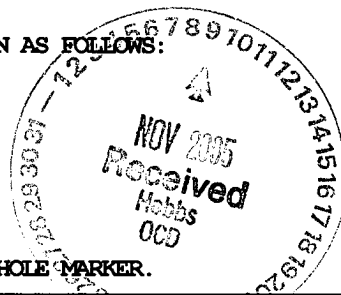
- REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT ☐
OTHER: ☐

**THE OIL CONSERVATION DIVISION MUST
BE NOTIFIED 24 HOURS PRIOR TO THE
BEGINNING OF PLUGGING OPERATIONS.**

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.

WELL IS CURRENTLY TA'D - GRUY PETROLEUM MANAGEMENT CO. PROPOSES TO PLUG & ABANDON AS FOLLOWS:

- 1) FU WORKSTRING & RIH & TAG EXISTING CIBP @ 2586.
- 2) CIRC. WELL W/ PEA MUD.
- 3) MIX & PUMP A 25 SX. CMT. PLUG ON TOP OF CIBP @ 2586'-2486'.
- 4) PERF. & ATTEMPT TO SQZ. A 100 SX. CMT. PLUG @ 1300'-1100'; WOC & TAG.
- 5) PERF. & ATTEMPT TO SQZ. A 50 SX. CMT. PLUG @ 255'-155'; WOC & TAG.
- 6) MIX & SPOT A 15 SX. CMT. SURF. PLUG @ 63'-3'.
- 7) DIG OUT & CUT OFF WELLHEAD 3' B.G.L.; WELD STEEL PLATE ON CASINGS & SET DRY HOLE MARKER.



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

SIGNATURE David A. Eyler TITLE AGENT DATE 11/04/05

Type or print name DAVID A. EYLER

E-mail address: deyler@milagro-res.com Telephone No. (432) 687-3033

For State Use Only

APPROVED BY Larry W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE NOV 10 2005
Conditions of Approval, if any

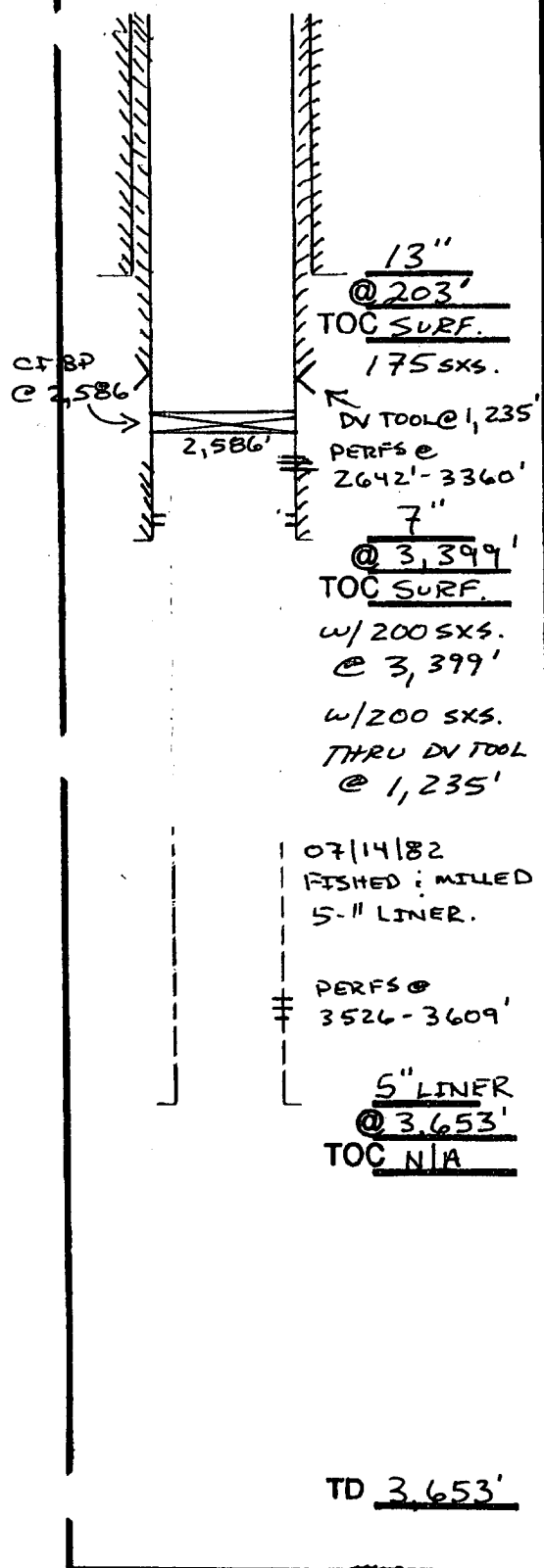
PLUGGING & ABANDONMENT WORKSHEET

(3 STRING CSNG)

30-025-10694

OPERATOR GRUY PETROLEUM MANAGEMENT Co.
LEASENAME SKELLY PENROSE - A- UNIT

SECT 10 TWN 23S RNG 37E
FROM 660 N5L 660 EWL
TD: 3,653' FORMATION @ TD
PBDT: 2,586' FORMATION @ PBDT



	SIZE	SET @	TOC	TOC DETERMINED BY	
SURFACE	13"	203'	SURF.	CIRCULATED	
INTMED 1					
INTMED 2					
PROD	7"	3,399'	SURF.	CIRCULATED	
	SIZE	TOP	BOT	TOC	DETERMINED BY
LINER 1	5"	3,389'	3,653	N/A	-
LINER 2					
	CUT & PULL @		TOP - BOTTOM		
INTMED 1			PERFS	-	
INTMED 2			OPENHOLE	-	
PROD					

* REQUIRED PLUGS DISTRICT I

RUTLER (ANYD)	T/1190'
B/SALT	2500'
YATES	
QUEEN	
GRAYBURN	
SAN ANDRES	
CAPTAN REEF	
DELAWARE	
BELL CANYON	
CHERRY CANYON	
BRUSHY CANYON	
BONE SPRING	
GLORIETA	
BLINEBRY	
TUBB	
DRINKARD	
ABO	
WC	
PENN	
STRAWN	
ATOKA	
MORROW	
MISS	
DEVONIAN	

PLUG	TYPE	SACKS	DEPTH
PLUG	PLUG	CMNT	
EXAMPLES			
PLUG #1	OH	25 SXS	9850'
PLUG #2	SHOE	50 SXS	8700'-8800'
PLUG #3	CIBP/35'		5300'
PLUG #4	CIBP	25 SXS	5300'
PLUG #5	STUB	50 SXS	4600'-4700'
PLUG #6	RETNR SQZ	200 SXS	400
PLUG #7	SURF	10 SXS	0-10'
PLUG #1			
PLUG #2			
PLUG #3			
PLUG #4			
PLUG #5			
PLUG #6			
PLUG #7			
PLUG #8			
PLUG #9			
PLUG #10			
PLUG #			
PLUG #			