

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
 May 27, 2004

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

WELL API NO. 30-025-38878
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA 2905
7. Lease Name or Unit Agreement Name Saunders "33" State
8. Well Number 1
9. OGRID Number 151323
10. Pool name or Wildcat Saunders, Permo Upper Penn
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4,218' GR
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
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 _____

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
Pride Energy Company

3. Address of Operator
PO Box 701950, Tulsa, OK 74170

4. Well Location
 Unit Letter L : 1980 feet from the South line and 660 feet from the West line
 Section 33 Township 14 S Range 33E NMPM Lea County

12. 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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/>	Drilling

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.

- 4/30/08: Set conductor & drilled down to 40'
- 5/19/08: Drilled an additional 5'
- 6/8/08: Drilled an additional 5'
- 6/25/08: Drilled an additional 5'
- 7/15/08: Drilled an additional 5'
- 8/4/08: Drilled an additional 5'

RECEIVED
 AUG 25 2008
HOBBS OIL

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 .
 President of Pride Production Co., Inc.,
 SIGNATURE Matthew L. Pride TITLE as General Partner of Pride Energy Company DATE 8/19/08

Type or print name Matthew L. Pride E-mail address: mattp@pride-energy.com Telephone No. 918-524-9200
For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE AUG 27 2008
 Conditions of Approval (if any): _____