

Submit 3 Copies To Appropriate District
 Office
 District I
 1625 N French Dr, Hobbs, NM 88240
 District II
 1301 W Grand Ave, Artesia, NM 88201
 District III
 1000 Rio Brazos Rd., Aztec, NM 87412
 District IV
 1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

RECEIVED
JUN 25 2009
HOBBS
 OIL CONSERVATION DIVISION
 300 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. <input checked="" type="checkbox"/> 30-025-03689	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. E-1667	
7. Lease Name or Unit Agreement Name STATE GB	
8. Well Number 1 <input checked="" type="checkbox"/>	
9. OGRID Number 246798	
10. Pool name or Wildcat 10640: Caudill; Devonian <input checked="" type="checkbox"/>	
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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> 2. Name of Operator PECOS OPERATING COMPANY 3. Address of Operator 400 W. Illinois Ave., Suite 1210, Midland, TX, 79701 4. Well Location Unit Letter <u>C</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>16</u> Township <u>15S</u> Range <u>36E</u> NMPM <u>Lea</u> County <u>Lea</u> 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3907 GL; 3921 KB	

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: Reactivate temporarily abandoned well <input checked="" type="checkbox"/>	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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Drill out cmt & CIBP @ 10,100' & clean out to 13,300'.
 Test csg & sqz cmt if necessary.
 Drill out cmt & CIBP @ 13,300' & clean out to 13,562 (original PBTD).
 Swab test Devonian for entry rate. Put well back on production.

Spud Date: As soon as reasonably possible Rig Release Date:

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

SIGNATURE Steve Gray TITLE mgr / Partner DATE 06/23/09
 Type or print name Steve Gray E-mail address: steveg@pecoscompanies.com PHONE: 432-620-8480
For State Use Only
 APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUN 23 2009
 Conditions of Approval (if any):