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LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

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 type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- SALT WATER DISPOSAL	7. Unit Agreement Name NONE
2. Name of Operator VERDE GRANDE INC.	8. Farm or Lease Name AZTEC STATE <i>Com</i>
3. Address of Operator P.C. BOX 147, LOVINGTON, N.M. 88260	9. Well No. 6011 #3
4. Location of Well UNIT LETTER <u>M</u> <u>660</u> FEET FROM THE <u>South</u> LINE AND <u>660</u> FEET FROM THE <u>West</u> LINE, SECTION <u>18</u> TOWNSHIP <u>16S</u> RANGE <u>37E</u> NMPM.	10. Field and Pool, or Wildcat wolfcamp
15. Elevation (Show whether DF, RT, GR, etc.) 3844.5 GR	12. County LEA

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>Conversion to Salt Water Disposal</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.

- 9-2-86 Removed old tubing from well
- 9-3-86 Ran 10,020' of 2-7/8" tubing lined with Fiberglass and set the packer at 10,020' after filling the casing with packer fluid and pressure tested to 350# with commision representative present.
- 9-10-86 Finished hooking up the well and received permission to start injection. The well started taking water at a rate of 3,000 BPD on a vacuum.
- 9-17-86 The rate dropped to 400BPD , treated well with 500gal. HCL Test pumped and determined at rate of 2.5BPM at 800#.

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

SIGNED Jerry Sexton TITLE President DATE 9-18-86

APPROVED BY ORIGINAL SIGNED BY JERRY SEXTON TITLE _____ DATE SEP 22 1986
DISTRICT I SUPERVISOR
CONDITIONS OF APPROVAL, IF ANY: