

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-103
Permit 39366

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: ☐		WELL API NUMBER 30-025-37397
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
2. Name of Operator E G L RESOURCES INC		7. Lease Name or Unit Agreement Name NEW MEXICO BR STATE
3. Address of Operator P. O. BOX 10886, MIDLAND, TX 79702		8. Well Number 003
4. Well Location Unit Letter <u>N</u> : <u>330</u> feet from the <u>S</u> line and <u>1920</u> feet from the <u>W</u> line Section <u>24</u> Township <u>11S</u> Range <u>32E</u> NMPM Lea County		9. OGRID Number 173413
11. Elevation (Show whether DR, KB, BT, GR, etc.) 4326 GR.		10. Pool name or Wildcat
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 OF PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 Other: _____

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
 CASING/CEMENT JOB ☐
 Other: **Drilling/Cement** ☒

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.

5/16/06 Spud. Drill w/ 17 1/2" varrel to 337'

5/17/06 Drill to 337, run 13 3/8" csg. cement @ 337'

5/18-6/1/06 Drilling w/ 12 1/4" varrel to 4459'

6/1/06 RU 9 5/8" csg. cement @ 4454'

6/3-6/21/06 Drilling w/ 8 3/4" Hughes to 8980'

6/22-7/11/06 Drilling w/ 7 7/8" HCC. Reached TD @ 11088'

7/12/06 RU 5 1/2" csg. cement @ 11088'. Ran centralizers and turbolizers on jts. 9-33, 77, 78, 80, 81, 144, 148, 152, 156 & cement basket on jt. 75.

5/16/2006 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
05/17/06	Surf	FreshWater	17.5	13.375	48	H40 ST	0	337	355	1.34	C	0	700		Y
06/01/06	Int1	Mud	12.25	9.625	15.5	J55	200	4454	1700	2.46	C	0	3000		Y
07/12/06	Prod	Brine	7.875	5.5	17	L-80	3750	11088	1420	1.46	TXI Light	0	2743		Y

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 Electronically Signed

TITLE Manager

DATE 10/11/2006

Type or print name Jessica Lopez

E-mail address jessica@egresources.com

Telephone No. 432-687-6560

For State Use Only:

APPROVED BY: Chris Williams

TITLE District Supervisor

DATE 10/16/2006 11:06:14 AM