

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. 30-049- 29922 20022
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 303018

7. Lease Name or Unit Agreement Name Black Ferrill
8. Well Number 1
9. OGRID Number 24097
10. Pool name or Wildcat Undes Niobrara CSF

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 type="checkbox"/>
2. Name of Operator Tecton Energy, LLC
3. Address of Operator 3000 Wilcrest, Suite 300, Houston, TX 77042
4. Well Location Unit Letter H : 2310 feet from the North line and 990 feet from the East line Section 1 Township 13N Range 8E NMPM County Santa Fe

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5884' Ground level

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 _____

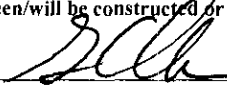
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input checked="" 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"/> OTHER: _____	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.

Tecton Energy intends to inspect the mechanical integrity of the well bore due to a suspected hole in the casing. Rods and tubing will be pulled and the wellbore cleaned out to TD. A casing inspection and cement bond log will be run. The casing will then be pressure tested using a retrievable bridge plug and packer. If a hole is detected, then appropriate repair procedures will be established and reported. If not repairable then the well will be plugged following a NMOCD approved plugging plan. If casing is repairable, then the well will be re-logged and re-perf'd. We currently anticipate perforating the following intervals: 2738' - 2764', 2670' - 2700', and 2510' - 2536'. The well will then be frac'd and flowed back. New tubing and artificial lift equipment will be installed and the well returned to production.

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 X, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE  TITLE VP - Operations & Engineering DATE October 2, 2006

Type or print name G.L. Christensen E-mail address: cchristensen@tectonenergy.com Telephone No. (281) 668-8065

For State Use Only

APPROVED BY:  TITLE DISTRICT SUPERVISOR DATE 10-6-06
Conditions of Approval (if any): _____

OIL CONSERVATION COMMISSION TO BE NOTIFIED
WITHIN 24 HOURS OF BEGINNING OPERATIONS