

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

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

WELL API NO. 30-005-63538
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-2101
7. Lease Name or Unit Agreement Name MILLER STATE
8. Well No. 1
9. Pool Name or Wildcat UNDESIGNATED
10. Elevation (Show whether DF, RKE, RT, GR, etc.) 3929' GR



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
ELK OIL COMPANY

3. Address of Operator
POST OFFICE BOX 310, ROSWELL, NEW MEXICO 88202-0310

4. Well Location
Unit Letter **N** : **1200** Feet From The **SOUTH** Line and **1980** Feet From The **WEST** Line
Section **2** Township **8 SOUTH** Range **27 EAST** NMPM **CHAVES** County

11. 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"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: Perforation and completion data. <input checked="" type="checkbox"/>	

12. 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.

February 18-24, 2003: Rig up pulling unit. Run in hole with tubing, circulate hole with 7 1/2% KCL water, spot 250 gallons 15% Ferchek. Pull out of hole with tubing. Rig up Schlumberger, run CBL, top of cement is at 4200'. Perforate 6575'-6577', 12 holes. Run in hole with tubing and packer. Set packer at 6265'. Put away acid. Swabbed well in. Tested well 02/24/03 on 18/64" choke. Flowed gas at a rate of 800,000/day. Shut well in, prepare to hook up to pipeline.

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

SIGNATURE *Joseph J. Kelly* TITLE PRESIDENT DATE 2/25/03

TYPE OR PRINT NAME JOSEPH J. KELLY TELEPHONE NO. 505-623-3190

(This space for State Use)
APPROVED BY *William W. Green* TITLE District Supervisor DATE MAR 03 2003

CONDITIONS OF APPROVAL, IF ANY: _____