

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.
30-015-

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Karlsbad Corral 2 State

8. Well Number #3-H

9. OGRID Number
14811

10. Pool name or Wildcat
Corral Canyon Delaware, NW 96464

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

RECEIVED

2. Name of Operator
Southwestern Energy Company

MAR 22 2005

3. Address of Operator
2350 N. Sam Houston Pkwy E., Suite 300, Houston, TX 77032

4. Well Location

Unit Letter P: 331 feet from the S line and 678 feet from the E line
Section 2 Township 25S Range 29E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3084'

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type Reserve Depth to Groundwater 140' Distance from nearest fresh water well 1.28 Miles Distance from nearest surface water 8 Miles

Pit Liner Thickness: 12.0 mil Below-Grade Tank: Volume 10,000 bbls; Construction Material Dirt

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 PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☒ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☐

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.

3/6/05 - 3/10/05

Set 16' conductor to 40'. Spud @ 01:00 pm on 3/10/05 Drilled to 323'.

3/11/05 - 3/13/05

20 jts 9-5/8" 36#, J-55 STC csg to 850'. 140 bbl lead 35:65:6"C"+2% CaCl + 1/4# Celloflake, 45 bbls tail "C" +2%CaCl, & 65 bbls fresh water. 11:00 - 11:30 Test cement lines. 14:00 - 19:30, WOC, Hook up 2" line jetting Pits w/pump #1. P/U & TIH w/1" pipe (+/-100') to cmt back side of 9-5/8" csg - tag +/- 100' & R/U BJ. Pumped 94 bbl Class "C" with CaCl on the fly w/BJ - 400 sx 14.8 ppg Class C & 1 bbl fresh water 8.34 ppg flush. Test BOP's - top pipe rams, bline rams, inside & partial choke, outside kill line, inside choke line - pressure - 250 psi low/3000 psi high, standpipe pressure gauge is off 400 psi rig will replace gauge - BOP test is good.

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 Terry S. Jasso TITLE Engineering Tech DATE 3/21/2005

Type or print name Terry S. Jasso E-mail address: terry.jasso@swn.com Telephone No. (281) 618-4797
For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE DATE MAR 23 2005
Conditions of Approval (if any):

Arrant, Bryan

SOUTHWESTERN

From: Arrant, Bryan
Sent: Thursday, March 24, 2005 11:12 AM
To: 'terry_jasso@swn.com'
Subject: Karlsbad Corral 2 State # 3H 30.015- 33722

Dear Terri,

I need you to re-submit an amended subsequent report for the above noted well. What is missing is the total WOC time. In reading your report that we received on 3/22/2005 I read: "14:00-19:30 WOC,....." I'm somewhat confused on what this means.

Please note that the min. WOC time for the water protection string of casing is(18)hrs prior to commencing tests."..... [NMOCD Rule 107(G)(1)]. The 18 hrs is a State Engineer's requirement for the water protection string of casing. As for other strings of casing, operators may follow conditions of NMOCD Rule 107(G) Option (2), provided they submit the appropriate information.

Also, I need the casing pressure test and the time that it took to test the 9 5/8" casing. You can obtain additional information for this requirement in reading NMOCD Rule 107(I)(1). Please call me if you have any ???s.

Bryan Arrant
505-748-1283.103