

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-005-60569
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 308697
7. Lease Name or Unit Agreement Name Twin Lakes San Andres Unit
8. Well Number 29
9. OGRID Number 269864
10. Pool name or Wildcat Twin Lakes San Andres
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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	
2. Name of Operator Canyon E&P Company	
3. Address of Operator 4925 Greenville Ave., Ste 900, Dallas, Texas 75206	
4. Well Location Unit Letter H : 2310 feet from the North line and 990 feet from the East line Section 36 Township 8S Range NMPM County CHAVES	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

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

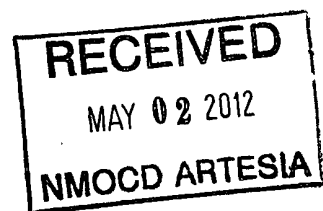
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Perforate Additional San Andres <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See attached:

**DENIED**

Rule 5.9 - Canyon has too many wells out of compliance



Spud Date:

Rig Release Date:

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

SIGNATURE

TITLE President

DATE

4-30-12

Type or print name

E-mail address: mike@canyonep.com PHONE: 214-709-6784

## TLSAU #29 Workover Procedure

1. MIRU Pulling Unit
2. Pull rods and pump
3. Pull tubing
4. RIH with 3.5in gauge cutter (or larger) to PBDT (2729ft MD).
  - a. 4 1/2in x 9.5# casing set at 2730ft MD
  - b. PBDT recorded at 2729ft.
  - c. Casing ID 4.09in
  - d. Casing volume 0.01625 bbl/ft
  - e. Existing San Andres P1 perfs at 2623-2665 ft MD (gross interval)
5. If casing is not clear to at least 2723ft MD, run in hole with tubing and casing scraper and wash out to at least 2723ft (5ft past deepest new perf).
6. RIH with 3 3/8in casing guns (2 shots per foot), correlate with Dual Spaced Compensated Neutron log and perforate San Andres P2 zone as follows
  - a. 2692-2710ft MD (18ft, 2 SPF)
  - b. 2713-18ft MD (5 ft, 2 SPF)
7. RIH with 2 3/8 tubing and test packer and set at +/- 2580ft (40ft above highest P1 perf)
  - a. 2 3/8in x 4.7# tubing volume 0.00386 bbl/ft
8. Acidize P1 and P2 combined as follows
  - a. Xxx gals mutual solvent
  - b. Xxx gals 15% HCL with appropriate additives (iron sequestering agent, corrosion inhibitors)
  - c. Flush to perfs with xx gals brine
9. Swab back as much load fluid as possible before dark
10. POOH with work string
11. RIH with 2 3/8 completion string +/-2580ft
12. RIH with rods and pump, hang on beam and stroke beam pump before releasing pulling unit