

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

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

Form C-103

Revised August 1, 2011

WELL API NO. 30-015-27297
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 648
7. Lease Name or Unit Agreement Name: East Millman Unit
8. Well Number 191
9. OGRID Number 019958
10. Pool name or Wildcat Millman-Yates-SR-QN-GB-SA East
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3431' KB; 3425' 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

Stephens & Johnson Operating Co

3. Address of Operator

P O Box 2249, Wichita Falls, TX 76307

4. Well Location

Unit Letter A : 10 feet from the North line and 10 feet from the East line

Section 22 Township 19S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3431' KB; 3425' GR

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 ☐  
DOWNHOLE COMMINGLE ☐

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

See Attached

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 William M. Kincaid TITLE Petroleum Engineer DATE 4-18-2012

mkincaid@sjoc.net

Type or print name William M. Kincaid E-mail address: mkincaid@sjoc.net PHONE 940-723-2166

For State Use Only

APPROVED BY Richard / Nae TITLE Compliance Officer DATE 5/9/12

Conditions of Approval (if any):

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Stephens & Johnson Operating Co.  
East Millman Unit No. 191  
API No. 30-015-27297  
Eddy County, New Mexico

Well Data:

Total Depth: 2625' KB

PBTD: 2360' KB

Surface Csg: 8 5/8" 24# set @ 359' KB, cement w/275 sx, TOC @ surface.

Prod. Csg: 5 1/2" 14.0# set @ 2624' KB, cement w/685 sx, TOC @ surface.

Queen Perfs: 1684'-1886' KB

Grayburg Perfs: 1996'-2352' KB  
CIBP @ 2378' w/cmt on top; PBTD @ 2360' KB

NOTE: East Millman Unit well No. 191 has a csg leak between 746'-822'. This well will be converted to a water injection well in the near future as soon as approval is obtained. Plan to repair csg leak as outlined below.

Proposed Workover Procedure

1. Set CIBP @ 1650' KB.
2. TIH w/4", 9.5 lb/ft non-upset liner (coupling OD = 4.5"; drift ID = 3.423") w/float shoe on bottom, a 15' shoe joint with a float collar and set liner @ 1649' KB.
3. Cement 4" liner in place w/175 sx of cement. Once cement has circulated back to surface, close annulus between 4" liner and 5 1/2" csg and squeeze cement out of csg leak.
4. TIH w/bit and 2 3/8" tbg workstring and drill out float collar, shoe joint, float shoe and CIBP. Clean out to PBTD of 2630' KB. TOOH w/tbg and bit.
5. TIH w/pkr and 2 3/8" composite lined tbg. Set pkr @ 1600' KB. Perform MIT on annulus between 2 3/8" tbg and 4" liner.
6. Wait for water injection permit prior to beginning water injection.