

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. 30-015-33700
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name San Remo 32
8. Well Number #1
9. OGRID Number 212226
10. Pool name or Wildcat Undes. Pow; Morrow Gas

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
Preston Exploration, LLC

3. Address of Operator
1717 Woodstead Court, Suite 207; The Woodlands, Texas 77380

4. Well Location
Unit Letter F : 1980' feet from the North line and 2130' feet from the West line
Section 32 Township 16S Range 26E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3394' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

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 ☐ 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.

2/9/2005 Spudded well @ 11:45 am.

2/9/2005 Set 13-3/8" 61 & 68# K-55 casing @ 422'. Cemented with 460 sacks Class "C" with additives. Did not circulate cement. WOC 5.75 hrs. Ran Temp Survey and determined TOC @ 110'. Run 1" cement tag with 77 sacks of Class "C" with additives. Pumped 5 sacks to reserve. Tested casing to 500 psi. Tested OK. WOC 24.5 hrs.

2/14/2005 Set 9-5/8" 40# T-95 casing @ 1237.18. Casing Stuck @ 1237', TD 1448'. Cemented w/ OCD approval. Cemented Lead w/ 100 sacks Poz: Class "C" with additives. Cemented Tail with 200 sacks Class "C" with additives. Ran Bond Log and determined TOC @ 1150'. WOC 13.25 hrs. Did not bump plug, held pressure on 9-5/8" casing for 36 hrs.

3/16/2005 Reached TD @ 8030'.

3/18/2005 Set 5-1/2" 17# L-80 casing @ 8027'. Cemented 1st stage with 500 sacks Class "C" with additives. Cemented Tail with 530 sacks Class "H" with additives. Circulated 100 sacks to reserve. DV Tool set @ 4107.81'. Cemented 2nd stage with 680 sacks Class "H" with additives. Cemented Tail with 100 sacks Class "C" Neat. Circulated 115 sacks to reserve. TOC @ Surface.

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 Lindsay Truesdell TITLE Consultant DATE April 26, 2005

Type or print name Lindsay Truesdell E-mail address: lindsay@rkford.com Telephone No. 432-682-0440

For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE _____
Conditions of Approval (if any): _____

APR 30 2005
DATE