

Submit 3 Copies To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103 Revised June 10, 2003

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

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

WELL API NO. 30-015-33757
5. Indicate Type of Lease STATE [] FEE [X]
6. State Oil & Gas Lease No. 34369
7. Lease Name or Unit Agreement Name BENNETT
8. Well Number 1
9. OGRID Number 11181
10. Pool name or Wildcat HAPPY VALLEY, MORROW 78060
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3198

RECEIVED JUL 25 2005 OGD-ARTESIA

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 [X] Other
2. Name of Operator THOMPSON, J. CLEO
3. Address of Operator P.O. BOX 12577 ODESSA, TX 79768-2577
4. Well Location Unit Letter C : 660 feet from the NORTH line and 1980 feet from the WEST line Section 10 Township 22S Range 26E NMPM County EDDY

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 COMPLETION []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT []
CASING TEST AND CEMENT JOB [X]
OTHER: COMPLETION [X]

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.
4-5-05 SPUD WELL W/NABORS #142. LOST RETURNS @ A1.25'. DRY DRILL TO 520'
4-7-05 RAN 13 3/8 54.5# CSG W/HOLE SIZE OF 17 1/2 SET @ 520', CEMENTED WITH 800 SX CLASS "C". PUMPED CMT DOWN 1" FOUR TIMES TO GET CMT TO SURFACE.
4-8-05 TO 4-12-05 DRILL 12 1/4" HOLE TO 2504'. RUN 9 5/8 40# N-80 CSG ,SET @ 2502', CEMENTED WITH 1125 SX 35/65 POZ AND CLASS "C", CIRCULATED TO SURFACE.
4-14-05 TO 5-11-05 DRILL 8 3/4" HOLE TO 11,600'. RAN GR-LDT-CNL & RFT LOGS. RAN 5 1/2 17# HCP-110 CSG TO 11602'. RTED COLLAR AT 7005', FC @ 11509'. CEMENTED W/695 SX 35/65 POZ AND TXI CEMENT. RD & RELEASE RIG ON 5/11/05.
SEE ATTACHED PAGE FOR REST OF DETAILS.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Jim Stevens TITLE OPERATIONS MANAGER DATE 07/22/2005
Type or print name JIM STEVENS E-mail address: jctwest@nts-online.net Telephone No. (432)550-8887
(This space for State use)

FOR RECORDS ONLY
APPROVED BY TITLE DATE JUL 26 2005
Conditions of approval, if any: incomplete - Resubmit

**J. CLEO THOMPSON
BENNETT #1
EDDY COUNTY, NM
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- 5-24-05 thru 5-27-05** RU Well Service Unit. RIH w/tbg to 11470'. Pickled tbg with 500 gals 15% HCL, POOH. RU E.M. Hobbs & run CBL. TOC @ 8470'. RDWL. RIH with tbg to ported collar @ 7005'. Opened collar & established circulation rate of 2 ½ BPM. Pumped 1320 sx Class "C" cement. Closed ported collar. Circulated tbg clean. Ran tbg conveyed perforating guns on 354 jts of 2 3/8 tubing. RU tree & start swabbing casing down to 4000'. Cudd Services pressured up casing to 4950 psi, perforated 11327 to 11331' w/6SPF with propellant. Shut down for Memorial Holiday.
- 5-31-05** Flowed well to pit. Made 20 swab runs and well started flowing. Well flowed 270 to 480 MCFD.
- 6-2-05** Ran Fluid Gradient Survey. EM Hobbs dropped bar and detonated top perf gun at 11120' to 11130' w/6SPF. Flowed well to pipeline at rate of 2471 MCFD. RD well service unit.