State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources May 27, 2004 District 1 WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-015-10105 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III FEE \square STATE 🗷 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 OG-784 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A East Millman Pool Unit Tract 4 DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8910169240 PROPOSALS.) RECEIVED 8. Well Number 1. Type of Well: Oil Well Gas Well Other NOV 0 7 2005 2. Name of Operator 9. OGRID Number OCUPARTERIA Stephens & Johnson Operating Co. 019958 3. Address of Operator 10. Pool name or Wildcat P.O. Box 2249, Wichita Falls, TX 76307-2249 Millman Yates-SR-QN-GB-SA, East 4. Well Location Unit Letter 990 feet from the South 1980 West. line and feet from the line Section Township 198 Range **NMPM** County Eddy 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3368' DF 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: Below-Grade Tank: Volume_____ _bbls: Construction Material _ 12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **CHANGE PLANS TEMPORARILY ABANDON** \mathbf{x} COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT **PULL OR ALTER CASING** MULTIPLE CASING TEST AND COMPLETION CEMENT JOB OTHER: 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. Notify OCD 24 hours
prior to test. 748-1283 See Attachment 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 belowgrade tank has been/will by constructed or closed according to NMOCD guidelines _____, a general permit _____or an (attached) alternative OCD-approved plan _____ SIGNATURE_/A/L Petroleum Engineer TITLE_ __ DATE ___ E-mail address: mkincaid@sjoc.net Type or print name William M. Kincaid Telephone No. (940) 723-2166 Flaid-Supervisor For State Use Only APPROVED BY TITLE_

Conditions of Approval, if any:

Stephens & Johnson Operating Co. East Millman Unit No. 4-6 Eddy County, New Mexico

We request that this well be classified as Temporarily Abandoned. The East Millman Pool Unit is an active waterflood project with an active infill drilling program currently under way. The infill drilling project will continue for another 2 to 3 years and this well will be converted to a water injection well following the infill drilling program. Please see below for well data showing that a CIBP was set @ 2045' which is above all perforations in this well. A casing integrity test will be conducted during the week of November 21, 2005.

Well Data:

Surface Casing: 8 5/8", 24 lb/ft, set @ 418' w/350 sx cmt Production Casing: 4 1/2", 9.5 lb/ft, set @ 2300' w/250 sx cmt

TOC @ 1040' (Temperature Survey)

Perforations: 2095' (one hole), 2115'-2117', 2127'-2129', 2200'-2202', 2207'-2209', 2216'-2218'

Note: Well TA'd July 7, 2000; CIBP set @ 2045', casing filled with

corrosion inhibited fluid.