

Submit 3 Copies To Appropriate District

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

District I  
1625 N. French Dr., Hobbs, NM 87240  
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

WELL API NO.  
30-015-34124

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.  
0G-272-1

7. Lease Name or Unit Agreement Name:  
East Millman Pool Unit Tract 5  
8910169240

8. Well Number  
7

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: RECEIVED  
Oil Well  Gas Well  Other

2. Name of Operator AUG 15 2005  
Stephens & Johnson Operating Co. QUARTESIA

9. OGRID Number  
019958

3. Address of Operator  
P.O. Box 2249, Wichita Falls, TX 76307-2249

10. Pool name or Wildcat  
Millman Yates-SR-QN-GB-SA, East

4. Well Location  
Unit Letter M : 327 feet from the South line and 483 feet from the West line  
Section 12 Township 19S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3404' GR 3414.5' KB

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 COMPLETION

OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK  ALTERING CASING   
COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
CASING TEST AND 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.

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 below-grade tank has been/will be constructed or closed according to NMOCDC guidelines  , a general permit  or an (attached) alternative OCD-approved plan

SIGNATURE William M. Kincaid TITLE Petroleum Engineer DATE 8-12-05

Type or print name William M. Kincaid

E-mail address: mkincaid@sjoc.net

Telephone No. (940) 723-2166

For State Use Only FOR RECORDS ONLY

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE AUG 17 2005

Conditions of Approval, if any:

1. Spudded 12 1/4" hole 4:30 PM 7-6-05. Drilled to 345' KB & ran 8 jts 8 5/8" 24#/ft. surface csg and cemented w/225 sx of cement. Cement circulated to surface (circulate 34 sx to pit). WOC - 18 hrs. Pressure test BOP and 8 5/8" surface casing to 1,000 psig for 30 minutes. Held OK.
2. Drilled 7 7/8" hole to 2737'. Ran 71 jts 5 1/2", 15.50#/ft. csg, set @ 2723' KB. Cemented w/800 sx of cement. Plug down @ 6:17 PM 7-12-05. Cement circulated to surface (circulate 179 sx to pit).
3. Test 5 1/2" production casing to 1,500 psig for 30 minutes. Held OK. Perforated Grayburg formation one shot at each of the following depths: 2309', 2312', 2315', 2318', 2339', 2342', 2345', 2348', 2351', 2354', 2388', 2391', 2394', 2424', 2427', 2430', 2433', 2444', 2447', 2450', 2453', 2466', 2469', 2472'.
4. On 7-18-05 acidized perforations w/3,000 gals 15% NEFE.
5. On 7-19-05 sand fraced perforations w/103,500 gals 10 lb brine water, 20,000 lbs of BJ LiteProp 125, and 5,000 lbs Super LC 16/30 sand.