| Submit 3 Copies To Appropriate District Office ?  | Energy, Minerals and Natural Resources                        |                                       | Form C-103             |   |
|---|---|---------------------------------------|------------------------|---|
| s District I  |   |                                       | WELL API NO.           | May 27, 2004                              |
| 1625 N. French Dr., Hobbs, NM 88240<br>District II  |   | 300156730                             | <b>.</b>               |   |
| 1301 W. Grand Ave., Artesia, NM 88210   | OIL CONSERVATION DIVISION                                     |                                       | 5. Indicate Type       |   |
| District III  | 1220 South St. Francis Dr.                                    |                                       | STATE                  | FEE   HED &                               |
| 1000 Rio Brazos Rd., Aztec, NM 87410<br>District IV   | Santa Fe, NM 87505  |                                       | 6. State Oil & Ga      |   |
| 1220 S. St. Francis Dr., Santa Fe, NM   | •   |                                       |                        | į.  |
| 87505   | TOPE AND DEPORTS ON WELL                                      | · · · · · · · · · · · · · · · · · · · | 7 Lessa Nama a         | or Unit Agreement Name                    |
| i   | TICES AND REPORTS ON WELL<br>DSALS TO DRILL OR TO DEEPEN OR P |                                       | 7. Lease Name o        | Tomit Agreement Name                      |
|   | ICATION FOR PERMIT" (FORM C-101)                              |                                       | HADSON A               | ESTEROL 3                                 |
| PROPOSALS.)   |   | 8. Well Number                        |                        |   |
| 1. Type of Well: Oil Well   | Gas Well Other (SWD)  | 10 [00.                               |                        |   |
| 2. Name of Operator Shacke (ford 0:1  | Company   | SET ARTESIA                           | 9. OGRID Numb          | per                                       |
| 3. Address of Operator  |   | Ogh                                   | 10. Pool name or       | r Wildcat                                 |
| 3510 N. A st. BI  | dg. B ste 100 MIN   | MO, TX 79705                          | Shugart                | YSR.                                      |
| 4. Well Location  |   |                                       |                        |   |
| Unit Letter G:2540 feet from the North line and 3310 feet from the East line  |   |                                       |                        |   |
| Section //  | Township / \$ 5   | Range 316                             | NMPM EDDY              | County                                    |
|   | 11. Elevation (Show whether D                                 | R, RKB, RT, GR, etc.,                 | )                      |   |
|   | <u>_</u>  |                                       |                        |   |
| Pit or Below-grade Tank Application   | <del> </del>  |                                       |                        | İ   |
| Pit typeDepth to Ground   | waterDistance from nearest fresh                              | n water well Dist                     | tance from nearest sur | face water                                |
| Pit Liner Thickness: mi   | Below-Grade Tank: Volume                                      | bbls; Co                              | onstruction Material   |   |
| 12. Check   | Appropriate Box to Indicate                                   | Nature of Notice.                     | Report or Other        | Data Data                                 |
|   |   |                                       |                        |   |
|   | NTENTION TO:  |                                       | SEQUENT RE             |   |
| PERFORM REMEDIAL WORK   |   | REMEDIAL WOR                          | <i>(</i> —             | ALTERING CASING                           |
| TEMPORARILY ABANDON   |   | COMMENCE DR                           |                        | P AND A                                   |
| PULL OR ALTER CASING  | MULTIPLE COMPL  | CASING/CEMEN                          | T JOB 📙                |   |
| OTHER:  | Π.  | 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 AHACHED   |   |                                       |                        |   |
| CEE ATTO  |   |                                       |                        |   |
|   |   |                                       |                        |   |
|   |   |                                       |                        |   |
|   |   |                                       |                        |   |
|   |   |                                       |                        |   |
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|   |   |                                       |                        |   |
|   |   |                                       | 1                      |   |
|   |   |                                       |                        |   |
|   |   |                                       |                        |   |
| I hereby certify that the information   | n above is true and complete to the                           | best of my knowledg                   | ge and belief. I furt  | her certify that any pit or below-        |
| grade tank has been/will be constructed   | ar doore to have and complete to the                          |                                       |                        |   |
| <b>L</b> 1  | or closed according to NMOCD guideline                        | es 🗌, a general permit 🗍              | or an (attached) alter | native OCD-approved plan .                |
| II  | or closed according to NMOCD guideline                        | es 🗌, a general permit 🗍              | or an (attached) alter | native OCD-approved plan .                |
| SIGNATURE LA A  | or closed according to NMOCD guideline                        | President                             | or an (attached) alter | native OCD-approved plan [].  DATE 9/5/87 |
| II  | or closed according to NMOCD guideline                        | es 🗌, a general permit 🗍              |                        | native OCD-approved plan □DATE9/5/8-7_    |
| SIGNATURE LA PLA  | or closed according to NMOCD guideline                        | Pines : Mest                          |                        | native OCD-approved plan .                |
| Type or print name For State Use Only   | TITLE  E-mail   | Pines: Ment                           | 7                      | DATE 9/5/87  Telephone No.                |
| SIGNATURE Type or print name  | or closed according to NMOCD guideline                        | Pines : Mest                          | 7                      | native OCD-approved plan □DATE9/5/87_     |

## Shackelford Oil Company

3510 N. A Street, Bldg. B Ste. 100 Midland, Texas 79705 Phone (432) 682-9784 Fax (432) 684-5026

September 7, 2007

## Description of Repair of Hadson Federal #3

- 1. Tested backside of well to 500psi well would bleed off pressure 100psi in 5 minutes.
- 2. Decided packer might be leaking. Unseated packer and reset packer. Pressured well up to 500psi well bled off 100psi in 5 minutes.
- 3. Thought we might have a spit in tubing. Pulled out of hole to locate hole and to redress packer. Took packer in to have packer redressed. Found one jt of tubing with small hole. Replaced jt of tubing.
- 4. Reset packer and tested to 500psi bled off to 400psi.
- 5. Pulled out of hole 5 jts at a time to test tubing. Found 2 splits replaced tubing. GIH/ and set tubing at approx 2520'. Load backside w/ KCL water. Tested tubing to 500psi held ok.