Form C-103 Submit 3 Copies To Appropriate District State of New Mexico Office May 27, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30-015-21878 OIL CONSERVATION DIVISION 1301 W. Grand Ave, Artesia, NM 88210 District III 1220 South St. Francis Dr. 5. Indicate Type of Lease 1000 Rio Brazos Rd, Aztec, NM 87410 Santa Fe, NM 87505 STATE FEE \square District IV 1220 S St Francis Dr., Santa Fe, NM 6. State Oil & Gas Lease No. 87505 NM0925 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 DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH Wright Federal Com PROPOSALS) 8. Well Number 1 1. Type of Well: Oil Well ☐ Gas Well ☐ Other 2. Name of Operator MAR 3 1 2008 9. OGRID Number SOUTHWEST ROYLATIES, INC. 21355 OCD-ARTESIA 3. Address of Operator 10. Pool name or Wildcat 6 DESTA DRIVE, STE 2100, MIDLAND, TEXAS 79705 NORTH TURKEY TRACK MORROW 4. Well Location N: 660 feet from the SOUTH line and 1980 feet from the WEST Unit Letter Township 18S Range 29E Section NMPM LEA 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3455' gl Pit or Below-grade Tank Application 🔲 or Closure 🗌 Depth to Groundwater____Distance from nearest fresh water well____Distance from nearest surface water___ Pit type Pit Liner Thickness: bbls; Construction Material mil Below-Grade Tank: Volume 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 \boxtimes ALTERING CASING □ **TEMPORARILY ABANDON** CHANGE PLANS P AND A COMMENCE DRILLING OPNS. \Box PULL OR ALTER CASING MULTIPLE COMPL CASING/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. .02-07-08 Current Activity: swbg; MIRU; made 13 runs; rec'd 27 BW; send in fluid samples w/Champion Chemical. 02-18-08 WO PU; water sample indicated pH 6.1, chlorides 140k; prep to MI PU and pull tbg to hunt for HIT. 03-11-08 Current Activity: POH w/tbg; MIRU PU; ND WH & NU BOP; TOH w/220 jts 2-3/8" tbg; SION. 03-12-08 Current Activity: TOH w/tbg & RIH w/pkr; AOL & OWU, tbg 0; TOH w/136 its 2-3/8" tbg, ttl pulled 356 its: RIH w/5-1/2x2-3/8 Model R pkr followed by 350 jts 2-3/8; set pkr @ 10,865', 75' above top perf @ 10,940'; RU swb & start IH; IFL @ 5300'; made ttl of 7 runs; rec'd 15 BW; EFL @ 10,000'; EDWC \$7247; ETWC \$17,046. 03-13-08 Current Activity: swbg; from 5 a.m. to 8 p.m.; 15 hrs; AOL; WOU slight vac; RIH w/swb; IFL @ 10,400' made 4 urns; rec 3 Bbls tbg on vac after last run; SI 1 hr; RIH w/swb; FL @ SN; SI 2 hrs; RIH w/swb FL scattered - rec 1 BW, tbg on vac; talked w/office -decision made to stop; released pkr; POH w/208 jts 2-3/8" tbg; SION; EDWC \$6589; ETWC \$18,635. 03-14-08 Current Activity: prep to RIH w/tbg; RD; from 5 a.m. to 5:30 p.m.; 12-1/2 hrs; AOL; OWU; POH w/70 additional jts 2-3/8" tbg and pkr; RIH w/356 its tbg; ND BOP; NU WH; unable to rig dwn due to high winds; EDWC \$4215. 03-15-08 Current Activity: prep to RIH w/tbg; RD; from 5 a.m. to 8:00 a.m.; 3 hrs; AOL; RD PU; clean location; DROPPED FROM REPORT -EVALUATING UPHOLE COMPLETION ATTEMPT; EDWC \$870; ETWC \$23,995. This well is a BLM /Federal well but is on the NMOCD SI Well Listing. 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 be constructed or closed according to NMOCD guidelines [], a general permit [] or an (attached) alternative OCD-approved plan []. SIGNATURE \ \ \a. TITLE Operations Assistant DATE 3/17/08

Type or print name Dawn M. Howard

Conditions of Approval (if any):

For State Use Only

APPROVED BY:

Accepted for record . NMOCO

TITLE

E-mail address: dhoward@claytonwilliams.com

Telephone No. 432/688-3267