

Submit 1 Copy To Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

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

WELL API NO. 30-05-64144
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name West Newmill 15 State Com
8. Well Number 001H
9. OGRID Number 269168
10. Pool name or Wildcat Wildcat; Montoya (Gas)

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3824 GR

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 ☒ Other

2. Name of Operator
Keystone Petroleum NM L.L.C.

3. Address of Operator
222 W. Las Colinas Blvd, Irving, TX 75039

4. Well Location
Unit Letter N : 760 feet from the S line and 1980 feet from the W line
Section 15 Township 04S Range 26E NMPM County: Chaves

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 COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☒
COMMENCE DRILLING OPNS. ☐ P AND A ☐
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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Keystone is requesting to change production casing from 5.5", 17# set at 7500' MD to 7", 26# set at 4500' MD and to add 4.5", 11.6# production liner set at 7500'. Also, before drilling the lateral, an 8.75" hole is to be drilled to +/- 6700' to log the Fusselman-Montoya.

RECEIVED

APR 06 2011

NMOCD ARTESIA

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Donna Stratton TITLE Regulatory Consultant DATE 04/04/11

Type or print name Donna Stratton E-mail address: donna@rkford.com PHONE: (432) 682-0440

For State Use Only

APPROVED BY: David Gray TITLE Field Supervisor DATE 4-8-11
Conditions of Approval (if any):

See attached Conditions of Approval

ENTERED

**NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
1301 W. GRAND AVENUE
ARTESIA, NM 88210
(575)748-1283**

CONDITIONS OF APPROVAL

**Keystone Petroleum NM, LLC
West Newmill 15 State Com #1H
30-005-64144**

1. Pilot hole to be properly plugged back, prior to setting kick off plug.
2. 4 ½" to be hung at least 100' above 7" casing shoe.
3. After cementing all casing strings, before commencing further operations, NMOCD Rules require that casing strings be tested between 600 psi and 1200psi. for 30 minutes. If a pressure drop of more than 10% of applied pressure occurs, casing shall be considered defective and operator shall apply corrective measures. Report results on subsequent casing sundry.
4. Please submit directional plan for this well.
5. All current NMOCD Rules & Regulations must be met at time of drilling.

DG

4/11/11