

Office

Energy, Minerals and Natural Resources

May 27, 2004

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

HOBBS OCD

JUN 28 2012

RECEIVED

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

WELL API NO.

30-015-35558

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Kimber State

8. Well Number 1

9. OGRID Number

217955

10. Pool name or Wildcat

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 Legend Natural Gas

3. Address of Operator 410 W. Grand Pkwy S. Ste. 400 Katy TX. 787494

4. Well Location

Unit Letter E : feet from the line and feet from the line
Section 7 Township 25 S Range 28 S NMPM County Eddy

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

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water N/A

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 COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☒CASING/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.

- Class "H" cur*
1. Pooh. Tbg. and Pkr. Standing back Rih. WL. Set CIBP 12,200' dump bail 3 sx. Cmt.
 2. Rih. Tbg. to 12,000 circulate hole mud laden fluid.
 3. Rih. WL. Set CIBP. 11,900' dump bail 3 sx. Cmt.
 4. Rih. Tbg. to 9150' spot 30 sx. Cmt. WOC. And Tag.
 5. Perf. at 7,150' Sqz. 55 sx. Cmt. *WOC + Tag*
 6. Perf. at 4,150' Sqz. 55 sx. Cmt. WOC & Tag.
 7. Perf. at 1,600' Sqz. 55 sx. Cmt. WOC & Tag.
 8. Perf. at 575' Sqz. 100 sx. Cmt. WOC & Tag.
 9. Perf. at 200' circulate 35 sx Cmt. to surface.
 10. Cut ankors install dry hole makers.

*Plugs on Page #2
Needs to be worked in.*

**SEE ATTACHED
CONDITIONS OF
APPROVAL** on Page 2 (Plugs)

*Notify OCD 24 hrs. prior
to any work done.*

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 NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

TITLE

(Basic Energy Services) DATE 6-26-12

Type or print name:

For State Use Only

E-mail address:

Telephone No. 432-563-3355

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

Approval Granted providing work
is complete by 11/3/2012

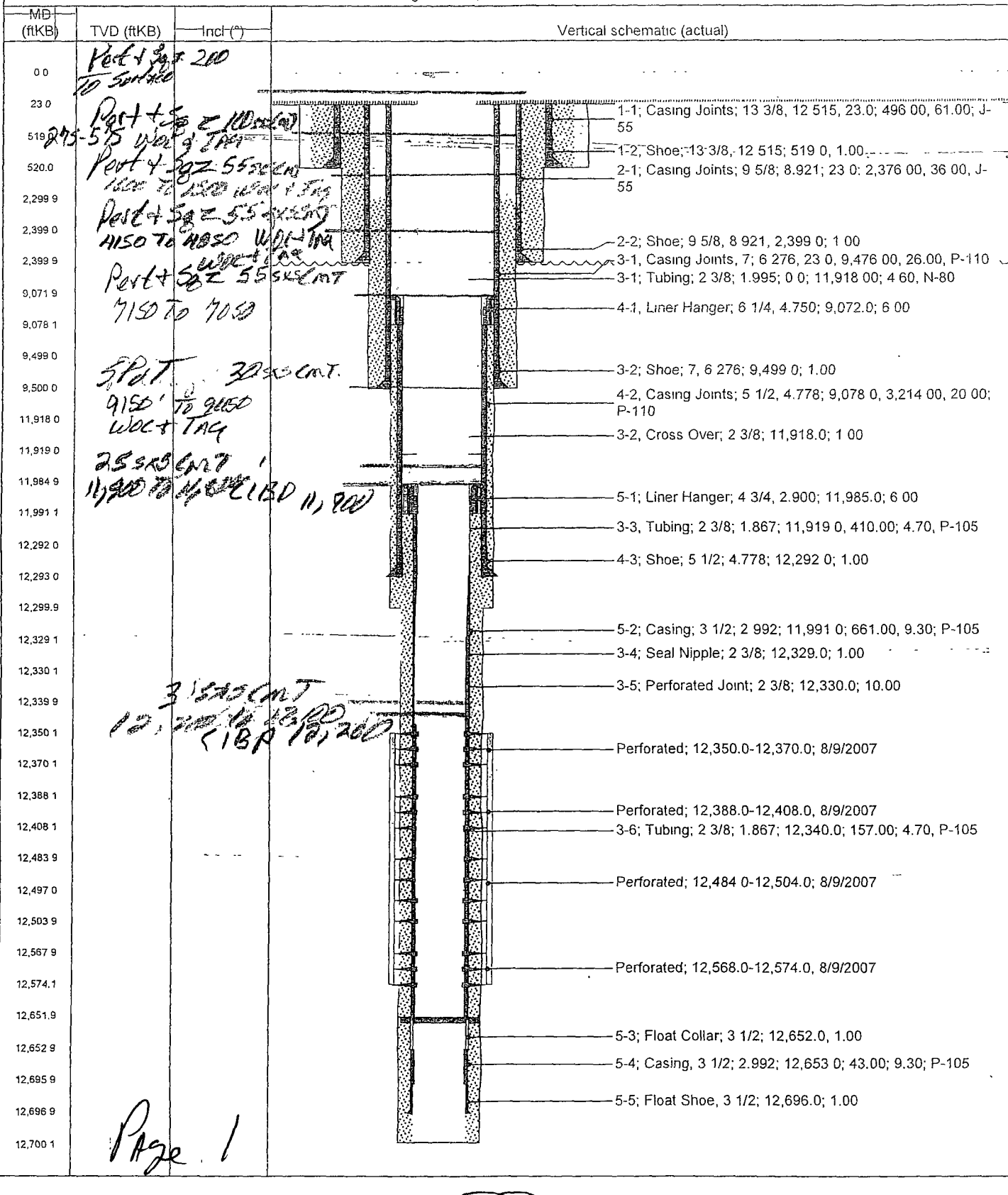


Schematic - Current
Well Name: Kimber State #1

Most Recent Job

Ground Elevation (ft)	Original KB Elevation (ft)	Total Depth (ftKB)	PBTD (All) (ftKB)
3,044.00	3,067.00	12,700.0	Original Hole - 12,652.0

Original Hole, 4/24/2012 8:59:15 AM



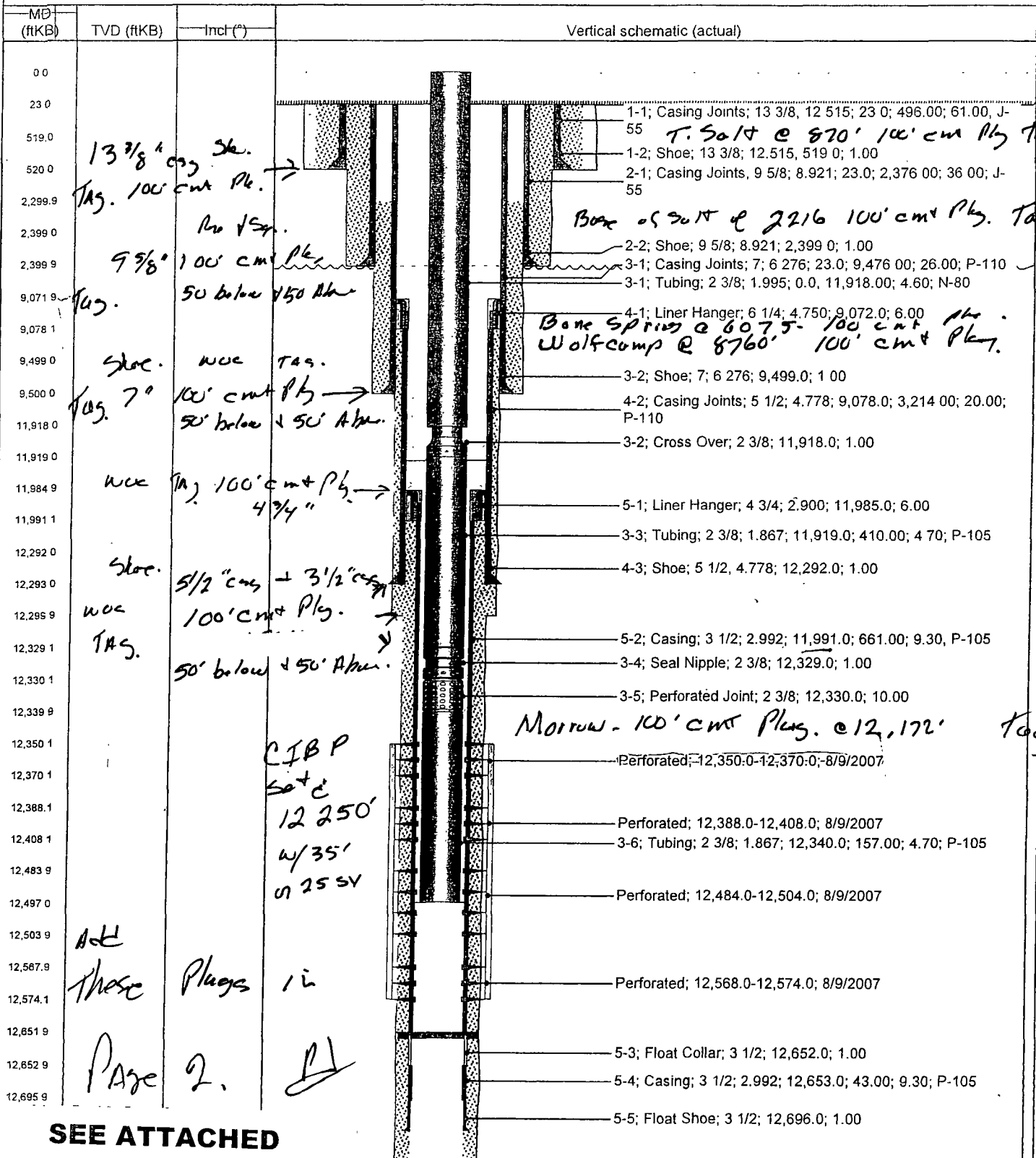


Schematic - Current
Well Name: Kimber State #1

Most Recent Job

Ground Elevation (ft) 3,044.00 Original KB Elevation (ft) 3,067.00 Total Depth (ftKB) 12,700.0 PBTD (Alt) (ftKB) Original Hole - 12,652.0

Original Hole, 4/24/2012 8:59:15 AM



SEE ATTACHED
CONDITIONS OF
APPROVAL

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Legend Natural Gas.

Well Name & Number: Kimber State #1

API #: 20-015-35558

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged **ONLY**. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perms, before any plugs can be set, by whatever means possible.

8. Cement Retainers may not be used.

9. Squeeze pressures not to exceed 500 psi., unless approval is given by NMOCD Plugging Supervisor.

10. Plugs may be combined after consulting with NMOCD P & A Supervisor.

11. Minimum WOC time for tag plugs will be 4 hrs.

Date: 8/3/2012