

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-015-25015
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 002258
7. Lease Name or Unit Agreement Name TWO FORKS STATE
8. Well Number 002
9. OGRID Number 119305
10. Pool name or Wildcat SWD; WOLFCAMP-PENN-MISS-DEVONIAN
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 SWD

2. Name of Operator
RAY WESTALL OPERATING, INC.

3. Address of Operator
P.O. BOX 4, LOCO HILLS, NM 88255

4. Well Location
 Unit Letter I : 1660' feet from the SOUTH line and 660' feet from the EAST line.
 Section 2 Township 18S Range 28E NMPM County EDDY

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/> perforate additional zones</p>
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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.

See Attached Procedure

NM OIL CONSERVATION
 ARTESIA DISTRICT
 JUN 29 2016

Spud Date:

Rig Release Date:

RECEIVED

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

SIGNATURE *René Hope* TITLE BOOKKEEPER DATE 6/27/16

Type or print name RENE HOPE E-mail address: _____ PHONE: 575-677-2370

For: State Use Only

APPROVED BY: *Richard W. G. S.* TITLE COMPLIANCE OFFICER DATE 7/12/16
 Conditions of Approval (if any): _____

TWO FORKS STATE # 2 SWD

06/06/16 - RU WELL SERVICE UNIT, C.O.O.H WITH TBG AND PKR. FOUND HOLE IN TBG. LAY ALL TBG DOWN. ORDERED NEW TBG.

06/07/16 - PERFORATED ADDITIONAL ZONES WITH IN APPROVED DEPTHS OF OCD ADMIN ORDER SWD-1452. PERFORATED 7204' - 7218' (28 HOLES) AND 7382' - 7390' (16 HOLES).

06/08/16 - ACIDIZE PERFS 7204' - 7218' AND 7382' - 7390' WITH 5000 GALS 15% HCL ACID. AVERAGE RATE 3 BPM, AVERAGE PSI 1400#.

06/09/16 - RAN NEW PKR WITH ON/OFF TOOL AND NEW IPC TBG. SET PKR @ 7140' WITH 219 JTS TBG. PUMP PKR FLUID, TEST CSG TO 340 PSI, HELD O.K.

06/16/16 - CONTACTED RICHARD INGE WITH NMOCD ARTESIA, TOLD HIM WE WERE READY FOR MIT TEST. HE ADVISED TO PERFORM TEST AND SEND CHART IN WITH C103 REPORT. TESTED TO 340 PSI, 40 MINUTES 320 PSI. HUNG WELL ON, RESUME DISPOSAL OPERATIONS.

