

Submit 3 Copies 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
May 27, 2004

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

WELL API NO.
30-015-35193

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
South Red Lake II Unit

8. Well Number #52

9. OGRID Number
241598

10. Pool name or Wildcat
Red Lake, Queen, Grayburg, San Andres

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 ☐

Month - Year

MAR - 5 2007

OCD - ARTESIA, NM

2. Name of Operator
Fairway Resources Operating, LLC

3. Address of Operator
538 Silicon Drive, Suite 101, Southlake, TX 76092

4. Well Location

Unit Letter E: 1,780 feet from the North line and 875 feet from the West line

Section 36 Township 17S Range 27E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,575' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

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: Surface and Production Casing ☒

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.

- 11/20/06 Day 1 - TD 330', drilled 330' in 20 hrs, MW fresh water, drilling at report time; MIRU, MU BHA, spud at 11:00 am on 11/19/06, drill 12 1/4" hole to 330' with full returns.
- 11/21/06 Day 2 - TD 438', drilled 108' in 8.5 hrs, MW fresh water, repairing swivel at report time; drill to 360', TOH, RU casing crew and run 9 jts 8 5/8" 32#/ft casing to 360', cmt with 225 sx class C with 2% CaCl, circulate 60 sx, WOC 8 hrs, screw on head, test casing to 1000 psi - held ok, NU BOP, PU 7 7/8" bit and TIH, test BOP, drill to 438'
- 11/22/06 Day 3 - TD 1430', drilled 992' in 21.5 hrs, MW fresh water, deviation survey 0.25 degrees at 940'; drilling at report time; drill and survey to 1430'.
- 11/23/06 Day 4 - TD 1814', drilled 384' in 11 hrs, MW fresh water; finishing cmt job at report time; drill to 1814', reach TD at 8:00 pm, circ and condition hole for 0.5 hrs, pump slug and TOH LD drill pipe, RU casing crew and run a total of 45 jts 5 1/2" 15.5# J-55 casing to 1790', RU BJ Services and cmt with 125 sx 35-65 poz plus 100 sx class C with 2% CaCl, pumped 7 bbls over capacity and did not bump plug, released pressure and float held, circulated 50 sx
- 11/24/06 Day 5 - RD BJ Services and set slips, ND BOP, clean mud tanks, release rig at 10:00 am on 11/23/06

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 Cindy Flood TITLE Office Manager DATE 2/28/2007

Type or print name Cindy Flood E-mail address: cflood@fairwayresources.com Telephone No. 817-416-1946

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE MAR 05 2007

Conditions of Approval (if any):