

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
June 19, 2008

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



WELL API NO. 30-005-63986
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 Charolette B Fee
8. Well Number 2
9. OGRID Number 014424
10. Pool name or Wildcat West Pecos Slope ABO

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	SEP 19 2008
2. Name of Operator McKay Oil Corporation	OCD-ARTESIA
3. Address of Operator PO Box 2014, Roswell, NM 88202-2014	
4. Well Location Unit Letter F : 2130 feet from the North line and 1650 feet from the West line Section 17 Township 6S Range 23E NMPM County Chaves	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4112'	

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/> P AND A <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <input type="checkbox"/>

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.

- 1) MCKAY OIL CORPORATION Spud the Charolette B Federal #2 at 6:30pm on 9/03/08.
- 2) TD of casing @ 950.63' on 9/08/08 @ 2:30pm. Ran 31 joints of mixed 8-5/8", J-55 and K-55, 24# casing. Rig up cementers. Pumped 168sks Class "C", tailed with 47sks Class "C". After cement cured, temp survey run, tagged @ 752'. 1" to surface w/865sks Class "C". WOC 18 hrs. Casing pressure tested to 500psi - 30 min/test good.

ACCEPTED FOR RECORD

Spud Date: 9/3/2008

Rig Release Date:

SEP 19 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

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

SIGNATURE Carol Shanks TITLE Production Analyst DATE 9/12/2008

Type or print name Carol Shanks e-mail address: carol@mckayoil.com PHONE: (575) 623-4735

For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):