

State of New Mexico
Energy, Minerals and Natural Resources

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

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)		WELL API NO. 30-015-01308
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator TANDEM ENERGY CORPORATION		6. State Oil & Gas Lease No.
3. Address of Operator 11490 WESTHEIMER RD, STE. 1000 HOUSTON, TX 77077		7. Lease Name or Unit Agreement Name EAST RED LAKE UNIT
4. Well Location Unit Letter <u>H</u> : 1980 feet from the <u>NORTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>2</u> Township <u>17S</u> Range <u>28E</u> NMPM EDDY County		8. Well Number 001X
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 36990
		10. Pool name or Wildcat RED LAKE;QUEEN-GRAYBURG, EAST

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 ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 1 RIH WITH CIBP SET @ 1514' - RIH CIRCULATE PLUGGING MUD - SPOT 35' OF CEMENT ON TOP
- 2 PERF @ 551' - PUMP 40 SACKS - TAG
- 3 PERF @ 250' - PUMP 35 SACKS - TAG
5. PERF AND CIRCULATE 25 SACKS FROM 60' TO SURFACE
- 6 CUT OFF WELL HEAD AN ANCHORS - INSTALL PA MARKER - LEVEL LOCATION

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 M. H. Hook TITLE agent DATE 2/25/10

Type or print name _____ E-mail address: _____ PHONE: _____

For State Use Only

APPROVED BY: [Signature] TITLE _____ DATE 2/25/2010

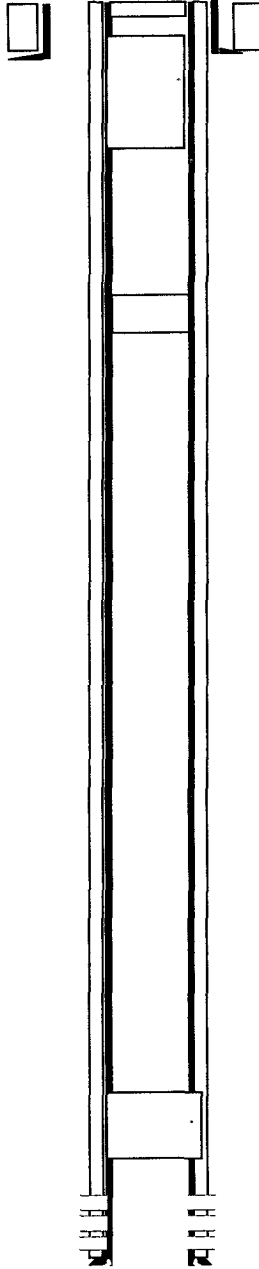
Conditions of Approval (if any):

Approval Granted providing work
is complete by 5/25/2010

EAST RED LAKE UNIT # 1X
API # 30-015-01298

2/25/2010

60' plug 0' to 60' Tag



8 5/8" 'Surface Casing @ 501'

CIBP @ 1514'

PERFS 1564' TO 1572'

Hole TD 1640' 4 1/2"

Company Name:
Representative
Phone