

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RECEIVED
OCD - ARTESIA

WELL API NO. 30-005-62798
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name McBride State
8. Well No. #3
9. Pool name or Wildcat
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3810 GR

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator Hanson Operating Company, Inc.
3. Address of Operator P.O. Box 1515, Roswell, NM 88202-1515
4. Well Location Unit Letter <u>G</u> : <u>1675</u> Feet From The <u>North</u> Line and <u>2310</u> Feet From The <u>East</u> Line Section <u>28</u> Township <u>10S</u> Range <u>27E</u> NMPM <u>Chaves</u> County

11. 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 type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

12. 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.

- 2-12-01 Nipple down wellhead and install BOP, go in hole w/7" casing scrapper and 2 3/8" workstring to 6100'.
- 2-13-01 Pull out of hole with scrapper and went back in with 7" CIBP set at 6050', circulated hole with brine gel 9.5# mud and spotted 6 sxs cement on top of CIBP. Bottom plug at 6050', top of plug 6020' pull up to 5624' w/ 25 sxs cement, plug bottom 5624' and top at 5474', pull up to 4744' w/25 sxs cement, plug bottom 4744' and top of plug at 4544' pull up to 2634' w/ 25 sxs cement.
- 2-14-01 Tag plug at 2493' and pull up to 964' w/ 25 sxs cement also spotted 15 sxs cement from 60' to surface. Cut wellhead and install dry hole marker, clean location.

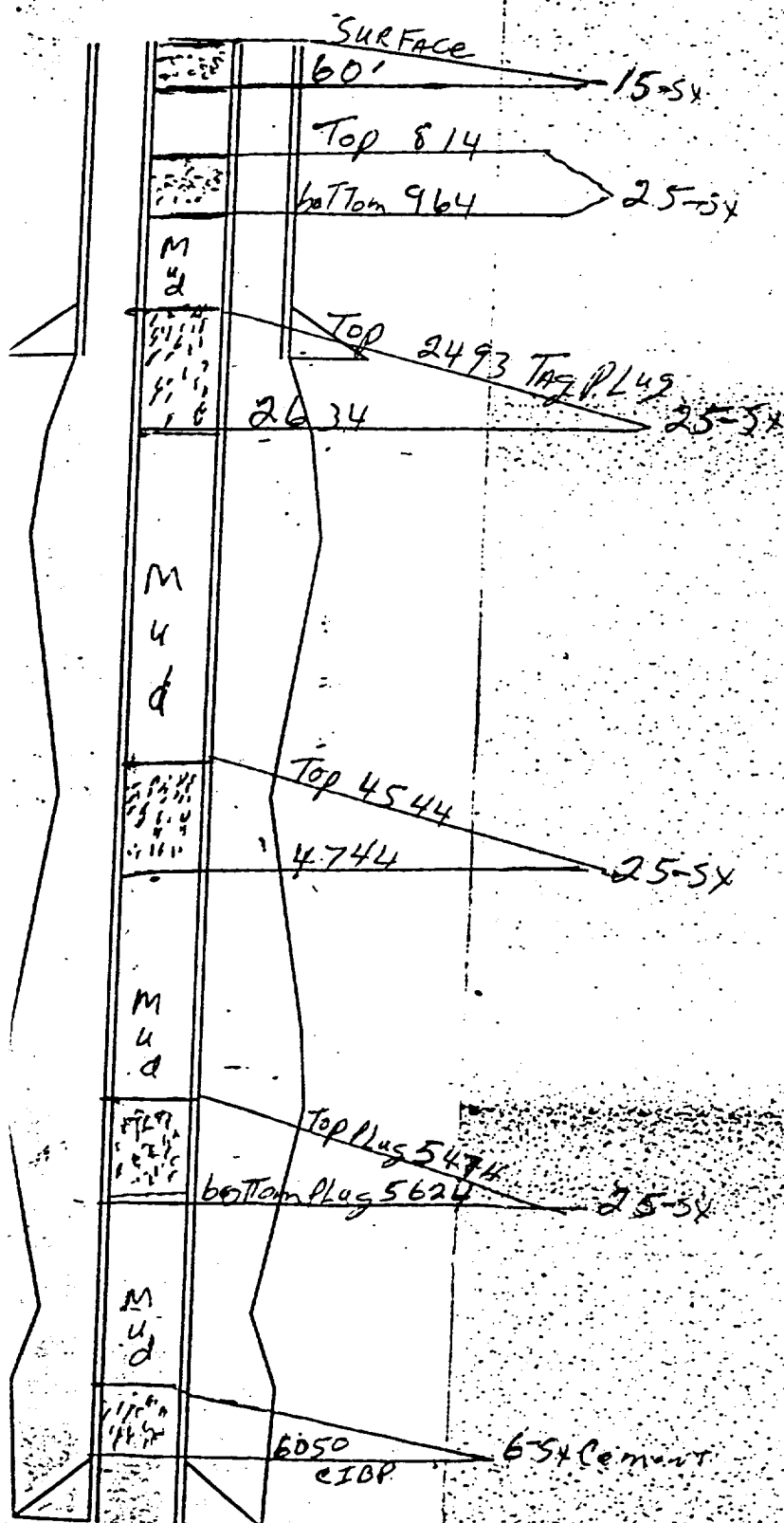
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Betsy Speer TITLE Prod. Analyst DATE 3-6-01
TYPE OR PRINT NAME Betsy Speer TELEPHONE NO. 505-622-7530

(This space for State Use)
APPROVED BY [Signature] TITLE Field Rep DATE 4-19-01
CONDITIONS OF APPROVAL, IF ANY:

TOOL CO. 2-14-01-F
Comentor
JR Casneubio

HANSON APER CO
McBride STATE Com. #3



7" CASING



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division



3/23/01

Hanson Operating Co., Inc.

PO Box 1515

Roswell, NM 87202-1515

Re: Plugging Reports

Form C-103 Report of Plugging for your McBride State #3 28-10S-27E API: 30-005-62798
Cannot be approved until an NMOCOD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

- ☒ 1. All pits have been filled and leveled.
- ☒ 2. Rat hole and cellar have been filled and leveled.
- ☒ 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
- ☒ 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- ☒ 5. The dead men and tie downs have been cut and removed.
- ☒ 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been leveled and cleared of all junk & equipment.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above mentioned lease is ready for OCD inspection and approval.

Name

Title

Field Rep

Bobby Woods
420-0127