

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

DISTRICT I

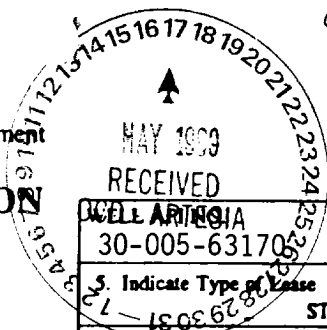
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410



Form C-103
Revised 1-1-89

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	5. Indicate Type of Lease LEASE <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator N. Dale Nichols	6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 1972 Midland, Texas 79702	7. Lease Name or Unit Agreement Name J. Kyle
4. Well Location Unit Letter C : 660 Feet From The North Line and 1980 Feet From The West Line Section 26 Township 7 South Range 28 East NMPM Chaves County	8. Well No. 1
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4057 GL	9. Pool name or Wildcat Elkins San Andres (Gas) Pool

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 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.
- 1) Spot 25 sack Neat Cement plug across perforations 22513' to 2650'. - TFG
 - 2). Cut and recover estimated 1625' of 5 1/2" casing 1923' - so above 5 1/2" casing TAG
 - 3). Spot 25 sack neat cement plug across top of San Andres at 1810' and top of 5 1/2" casing.
 - 4). Spot 25 sack neat cement across Queen Formation topped at 1344' 1458' - 1214'
 - 5). Spot 25 sack neat cement plug across shoe of 8 5/8" casing at 330'. 372' - 272' - TFG
 - 6). Spot 10 sack neat cement plug at surface and install marker. 322'

* Notify NMOC to witness plugging operations.
* Bring gel between all cement plugs

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

SIGNATURE N. Dale Nichols TITLE Operator DATE 4-18-99
TYPE OR PRINT NAME N. Dale Nichols TELEPHONE NO. (915) 682-5621 (915) 682-56

(This space for State Use)

APPROVED BY Minda S. Whitefield TITLE Field Rep II DATE May 19-99