(This space for State Use)

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

TELEPHONE NO.

DATE JUN 3 0 ZÜNA

ORIGINAL SIGNED BY

PAUL F. KAUTZ TITLE PETROLEUM ENGINEER

DISTRICT I OIL CONSERVATION DIVISION P.O. Box 1980, Hobbs, NM 88240 WELL API NO 2040 Pacheco St. 30-025-36396 Santa Fe, NM 87505 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 sIndicate Type of Lease STATEX FEE DISTRICT III «State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) J. F. Janda NCT-I Type of Well: WELL X OTHER aName of Operator «Well No. Arch Petroleum Inc. Address of Operator Pool name or Wildcat P. O. Box 10340, Midland, TX 79702-7340 Jalmat Tansil Yates 7 Ryrs **₄Well Location** 2310 560 North Feet From The Line and Feet From The Section 23\$ 36E Township Range **NMPM** Lea County 10Elevation (Show whether DF, RKB, RT, GR, etc.) 3465 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ANBANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOR OTHER; OTHER: 2Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. Spud & Set Surface Csg - MIRU Capstar #14. Spud well @ 16:00 hrs 01/24/04. Drld 12-1/4" hole to 1120: TD reached @ 05:30 hrs 01/25/04. Ran 25 jts 8-5/8" 32# J-55 ST&C csg. BJ cmt'd w/ 625 sks 35:65:6 @ 12.8 ppg followed by 200 sks Cl2"C" + 2% CaCl2 @ 14.8 ppg. Circ 175 sks to surface. Plug down @ 14:30 hrs 01/25/04. WOC 24 hrs. Make cut-off. Weld on WH. NU BOP's & test ok. TD & Prod Csg - Drld 7-7/8" hole to 3722'. TD reached @ 19:00 hrs 01/29/04. Ran 81 jts 5-1/2" 15.5# J-55 LT&C csg. Cmt'd w/ 895 sks Cl "C" + additives @ 14.09 ppg. Circ 115 sks to surface. CBL ran 02/06/04. I hereby certify that the information above is true and complete to the best of my knowledge and belief. - Whisht SIGNATURE TITLE Sr. Operation Tech DATE 03/12/04 TYPE OR PRINT NAME Cathy Wright 432-685-8100