

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

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

WELL APL NO. 30 029 20779
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-2317
7. Lease Name or Unit Agreement Name M E Hale No. 11
8. Well Number 11
9. OGRID Number
10. Pool name or Wildcat Vacuum / Yates

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 ☐ Gas Well ☒ Other ☐ Injection

2. Name of Operator
McGowan Working Partners, Inc.

3. Address of Operator
P O Box 55809, Jackson MS 39296-5809

4. Well Location

Unit Letter K : 1980 feet from the south line and 2310 feet from the west line

Section 35 Township 17S Range 34E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

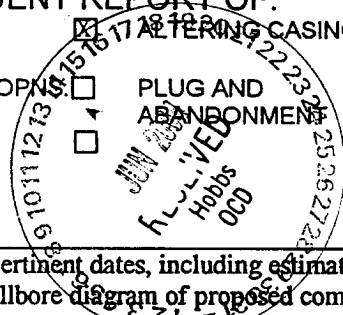
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPERATIONS ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

04/01/04 Ran in hole with 3-7/8" bit to CIBP at 4875'; pulled out of hole and ran Model R packer to 3150'; tested backside to 600 psi; pulled out of hole
04/02/04 Went in hole; set hydromatic CIBP at 3750'
04/03/04 Circulated well with brine; rigged up wireline; perforated 2850 - 2870' with 3" casing gun 2 spf; ran in hole with mule shoe, AD-1 tension packer and seat nipple to 2842'; set packer 2814'; tested casing to 400 psi; pumped 2000 gallons 15% HCL followed by 30 barrels brine; waited one hour; flowed well back to tank; water, acid and gas with show of oil flowed 50 barrels and died; rigged up and swabbed
04/05/04 Swabbed well; shut in
04/06/04 Rigged down moved off
04/26/04 Rigged up; pulled packer and tubing; rigged up wireline; perforated 2904 - 2944' with 3-1/8" casing gun, 2 spf; ran in hole; set removable bridge plug at 2970'; packer at 2840'; pumped 2200 gl NEFE acid and (over)

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

SIGNATURE Arnold H. Chapman TITLE Regulatory Officer DATE 05/24/04

Type or print name Arnold H. Chapman E-mail address: chappy@mcgowanwp.com Telephone No. 601-982-3444

(This space for State use)

APPROVED BY Paul E. Raut TITLE PETROLEUM ENGINEER
Conditions of approval, if any:

DATE JUL 22 2004

flushed with 50 barrels brine

04/27/04 Well had 850 psi on tubing; flow thru flow line until dead; lower down caught removable bridge plug and pull out of hole

04/28/04 Rig up wireline; perforate with 2" hollow carriers 2 spf 180° phase
- 2966 - 3006'; 3020 - 3050'; 3070 - 3080'; 3090 - 3100' and 3170 - 3180'
ran in hole with production string of 2-3/8" tubing and anchor; set end of tubing 3217.34' and anchor at 2838.65'; swabbed well

04/29/04 Swabbed well; ran in hole with 1-1/2" insert pump, weight bars and
- rods; rigged down moved off.

04/30/04 Waiting on surface connections
thru

05/21/04

05/22/04 Testing well for commercial production