| Submit 3 Copies To Appropriate District Office   | State of New Mex                                    |                    | Form C-103   |  |
|--|---|--------------------|--|--|
| District I   | Energy, Minerals and Natura                         | al Resources       | May 27, 2004 WELL API NO.                                |  |
| 1625 N. French Dr., Hobbs, NM 88240<br>District II   | OH CONCEDUATION                                     | 20-                | 025-28299  |  |
| 1301 W. Grand Ave., Artesia, NM 88210<br>District III  |   |                    | cate Type of Lease                                       |  |
| 1000 Rio Brazos Rd., Aztec, NM 87410   | Rio Brazos Rd., Aztec, NM 87410  Sonto Fo. NM 87505 |                    | STATE FEE e Oil & Gas Lease No.                          |  |
| District IV  1220 S. St. Francis Dr., Santa Fe, NM   |   | 1                  |  |  |
| 87505  |   |                    | Permi + # LG -5543  7. Lease Name or Unit Agreement Name |  |
| 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.) |   |                    | "YH"STate #2   |  |
| 1. Type of Well: Oil Well Gas Well Other   |   | 8. Well            | 8. Well Number 2   |  |
| 2. Name of Operator K.C. Resource 5  |   |                    | 9. OGRID Number  |  |
| 3. Address of Operator P.O. Box 6749 SNOW MASS Villar Co. 81615  |   | 15 10. Poo<br>Air. | 10. Pool name or Wildcat Airstrip Bonr Springs           |  |
| 4. Well Location Unit Letter I: 660 feet from the 504 hine and 504 feet from the E95+ line   |   |                    | Fost "   |  |
| Unit Letter I : 660 feet from the 150500/Ane and 50010 feet from the 1957 line   |   |                    |  |  |
| Section 25 Township 18 S Range 34 E NMPM County Leq  11. Elevation (Show whether DR, RKB, RT, GR, etc.)  |   |                    |  |  |
|  | 3961,4'GL   |                    |  |  |
| Pit or Below-grade Tank Application  | or Closure  |                    |  |  |
| Pit typeDepth to GroundwaterDistance from nearest fresh water wellDistance from nearest surface water  |   |                    |  |  |
| Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material  |   |                    |  |  |
| 12. 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 PAND A   |   |                    |  |  |
| PULL OR ALTER CASING   MULTIPLE COMPL   CASING/CEMENT JOB  |   |                    |  |  |
| OTHER: 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.   |   |                    |  |  |
| Locate leak in 53" casing - cement- Drillout-set plug at 9112'-50'above Top perts and Test casing - Waiting on Pulling Unit-   |   |                    |  |  |
| LOCATT 17411 120 0 g Castrage Come to the control  |   |                    |  |  |
| plug at 9112-50 above log perts and lest casing  |   |                    |  |  |
|  |   |                    |  |  |
| - Woiting as   | Pulling Unit -                                      | _                  |  |  |
| - 104111109  | 141 May well  | 020                | 1 Pr 40  |  |
|  |   |                    |  |  |
|  | <b>631.</b>   |                    |  |  |
|  |   |                    |  |  |
|  |   |                    |  |  |
|  |   |                    |  |  |
|  |   |                    |  |  |
|  |   |                    |  |  |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-  |   |                    |  |  |
| grade tank has been/will be constructed or closed according to NMOCD guidelines 🔲, a general permit 🔲 or an (attached) alternative OCD-approved plan 🗀.  |   |                    |  |  |
| SIGNATURE MILL MIN   | TERLE WA  | orkover Syperv     | 150 r DATE 3-28-05                                       |  |
| Mike Mitchell 432-943-6242   |   |                    |  |  |
| Type or print name  E-mail address:  E-mail address:  E-mail address:  |   |                    |  |  |
| For State Use Only  MAR 3 0 200  |   |                    |  |  |
| APPROVED BY:   | TITLE TITLE   |                    | DATE DATE  |  |
| Conditions of Approval (if any):   |   |                    |  |  |
| •  |   |                    |  |  |