

Submit 1 Copy To Appropriate District
Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

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

WELL API NO. 30-025-27648
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-8077
7. Lease Name or Unit Agreement Name STATE 731
8. Well Number 3
9. OGRID Number 012444
10. Pool name or Wildcat Undesignated Jalmat/Yates/7 Rivers

SUNDRIES 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 ☐

2. Name of Operator
PROVIDENCE ENERGY SERVICES, INC. dba KELTON OPERATING

3. Address of Operator
P.O. BOX 928, ANDREWS, TEXAS 79714-0928

4. Well Location
Unit Letter H : 1980 feet from the NORTH line and 330 feet from the EAST line
Section 26 Township 22S Range 35E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3558' GL

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 COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
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 19.15.7.14
proposed completion or recompletion.

Well Bore Diagram Attached

1. Pull Rods and Tubing out of hole.
2. Set CIBP at 3680' +/-
3. Circulate Hole with packer fluid. Test casing to 560#.
4. Run MIT Test.

Rule 19.15.25.14

Set CIBP, RBP or Packer within 100 feet of uppermost perfs or open hole Pressure test to 500 psi for 30 minutes with a pressure drop of not greater than 10% over a 30 minute period

The Oil Conservation Division

MUST BE NOTIFIED 24 Hours

Prior to the beginning of operations

Condition of Approval: Notify OCD Hobbs
office 24 hours prior to running MIT Test & Chart

Spud Date:

Rig Release Date:

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

SIGNATURE C. Dale Kelton TITLE PRESIDENT DATE April 19, 2012

Type or print name C. Dale Kelton E-mail address: providenceenergy@suddenlink.net PHONE: 432-661-1364

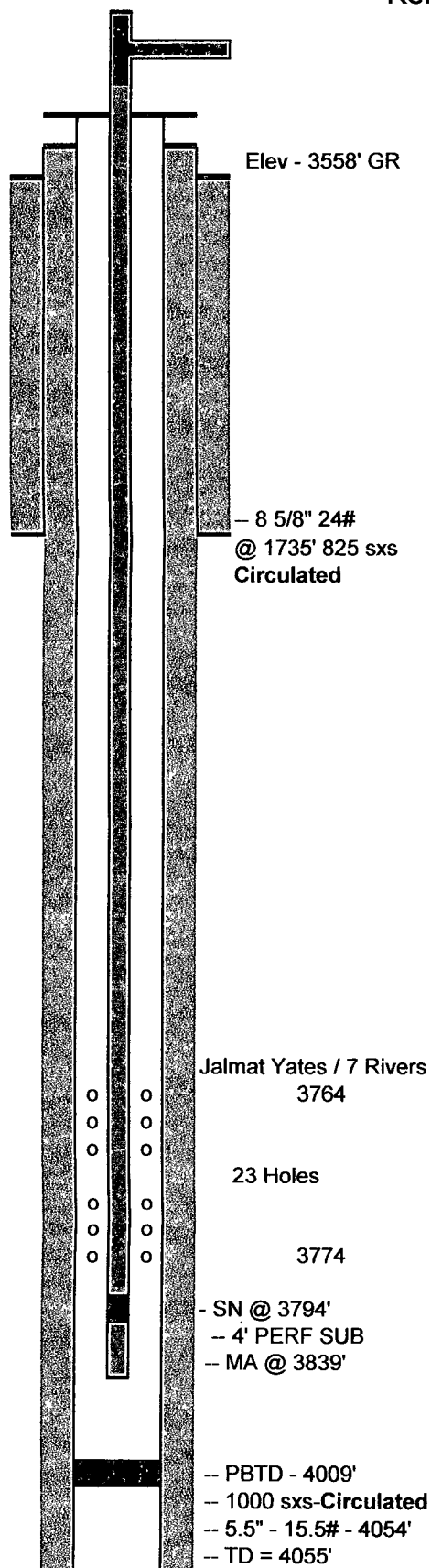
For State Use Only

APPROVED BY [Signature] TITLE STATE NOT DATE 4-25-2012

Conditions of Approval (if any)

APR 25 2012

Kelton Operating Corporation - WELL DIAGRAM



WELL INFORMATION

Date 04-19-2012

WELL NAME: State 731 #3
 LEGAL LOCATION : Section 26-22S-35E
 Lea County, New Mexico
 WELL HEAD TYPE: Larkin
 WELL HEAD SIZE: 5.5"
 CASING SIZE: 5.5" - 15.5# J-55

ROD TYPE AND SIZE

SUBS

	7/8"	3/4"	7/8"	3/4"
# RODS	103		46	

DETAIL

Pump 2" x 1.5 x 16' RWTC
 Gas Anchor - 10'

CONDITION

Good XX
 Fair
 Pitted
 Scaled - Some
 Worn (Rod/Box)
 Corrosion - No
 Parrafin - Yes
 Polish Rod and Liner

TUBING SIZE

New	Used	XXX Coated	Yes	No

DETAIL

Size 2 7/8" Wgt 4.7# Type J-55 Thread - 8rd
 # JOINTS 122 1 joint 2 7/8" MA + PS+SN

11-1988

Condition :

Good XXX	Pitted
Fair	Rod Wear
Hole	Corrosion - No
Split	Scale -

COMMENTS