

Submit 3 Copies 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
 Revised May 08, 2003

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

WELL API NO. 30-025-27400

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
~~STEELER~~ - LEA

8. Well Number
 WELL #1

9. OGRID Number

10. Pool name or Wildcat

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 DISPOSAL

2. Name of Operator
 CHAPARRAL S.W.D.

3. Address of Operator
 P. O. BOX 1769 EUNICE, NM 88231

4. Well Location

Unit Letter B : 660 feet from the NORTH line and 1650 feet from the EAST line
 Section 17 Township 23 Range 37 NMPM County

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:

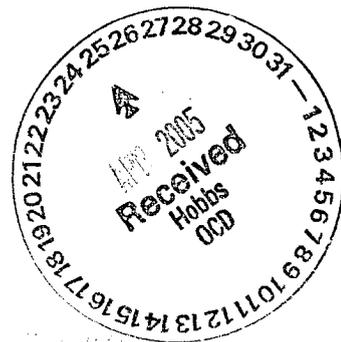
- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPLETION
 OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. 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.

- RIG UP EUNICE WELL SERVICE
- DROPPED STANDING VALVE PRESSURED UP
- UNSEATED PACKER CAME OUT HOLE
- RAN NEW PACKER & SET @ 3043"
- LOADED BACK SIDE W/ 47 BBLs. PACKER FLUID
- PUMPED 500 GAL. TOLUENE DOWN TUBING
- RIGGED DOWN
- TESTED CASING & PUMPED 1000 GAL. 22% NEFE ACID
- BIG PUMP DOWN - SHAFT BAD
- WELL WENT ON VAC.



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

SIGNATURE Paul Prather TITLE PARTNER DATE 04-21-05

Type or print name PAUL PRATHER Telephone No: (505) 394-12545

APPROVED BY Chris Williams TITLE Chris Williams, District Supervisor 4/26/05

Conditions of approval, if any:

