

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

HOBBS OCD

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

JUN 06 2012

RECEIVED

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.)		WELL API NO. 30-025-01235
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator DKD, LLC		6. State Oil & Gas Lease No. 309512
3. Address of Operator PO Box 682, Tatum, NM 88267		7. Lease Name or Unit Agreement Name State M SWD
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>N</u> line and <u>1980</u> feet from the <u>E</u> line Section <u>30</u> Township <u>15S</u> Range <u>R33E</u> NMPM County <u>Lea</u>		8. Well Number #3
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4196 DR		9. OGRID Number 210091
		10. Pool name or Wildcat SWD Permo Upper Penn

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: SWD ☐

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 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

6/4/12 - Rig up TWS pulling unit. Used back-off tool and pulled pipe 1300 ft. Found liner. Found liner collapsed at 41 joints down. Replaced 1st pipe with 2-7/8 plastic coated new pipe and loaded casing with packer fluid. Then set tubing back on packer. Shut down and called Maxey for MIT test.

6/5/2012 - 8:30 AM run MIT test with chart for Maxey with OCD. Chart attached to this report.

Packer set @ 9,769 ft
Top Perf @ 9,840 ft

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 Danny R. Watson TITLE Owner DATE 6/5/2012

Type or print name Danny R. Watson E-mail address: dkdlc@leaco.net PHONE: (575) 398-3490

For State Use Only

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 06-06-2012

Conditions of Approval (if any):

Chm

