

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

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

Form C-103  
May 27, 2004

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-025-24939
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <u>Water injection</u>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Seely Oil Company		6. State Oil & Gas Lease No.
3. Address of Operator 815 W. 10 <sup>th</sup> St., Ft. Worth, TX 76102		7. Lease Name or Unit Agreement Name <u>EK Penrose Sand</u> <u>Scharbauer</u> <u>Unit</u>
4. Well Location Unit Letter: N: 330 feet from the South line and 1650 feet from the West line. Section 20 Township 18S Range 34E NMPM Lea County		8. Well Number <u>#2 802</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3973' GL, 3985' RKB		9. OGRID Number 20497
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance 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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Begin Water Injection</u> <input checked="" type="checkbox"/>	

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.

The Scharbauer No. 2 well is included in the EK Penrose Sand Unit by OCD Order No. R-11929. An OCD Form C-103 has been submitted changing the well name to EK Penrose Sand Unit No. 802. Water injection was initiated into the Penrose Sand in this wellbore on April 14, 2005.

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 David L. Henderson TITLE: Executive Vice President DATE: 4/19/05

Type or print name: David L. Henderson E-mail address: dhenderson@seelvoil.com Telephone No. 817-332-1377

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APPROVED BY: [Signature] TITLE: PETROLEUM ENGINEER DATE: JUN 15 2005  
 Conditions of Approval (if any):