State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

Revised 1-1-89 District Office **DISTRICT I** OIL CONSERVATION DIVISION P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 2040 Pacheco St. 30-025-35108 Santa Fe, NM 87505 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 sIndicate Type of Lease STATE FEE DISTRICT III State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) Packer 18 State Com 1Type of Well: OIL X GAS OTHER 2Name of Operator Nearburg Producing Company «Well No. 3Address of Operator Pool name or Wildcat 3300 N A St., Bldg 2, Suite 120, Midland, TX 79705 Undes.; Wolfcamp 4Well Location 660 Unit Letter _ North Feet From The 660 Line and East Feet From The Line Section 18 218 Township 35E Range **NMPM** Lea County 10Elevation (Show whether DF, RKB, RT, GR, etc.) 3672' GL 11 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. PLUG AND ANBANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB OTHER: Att OTHER: Attempt to recomplete to Bone Springs 12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. 3/25/03 MIRU well service unit. POH w/ production tbg. 3/26/03 RIH w/ 7" CIBP and set @ 10,800'. Dump bailed 35' cmt on top of CIBP. New PBTD @ 10,765'. 3/27/03 Perforate the Bone Spring as follows: 7990' - 92' (8 holes); 8010' - 24' (56 holes); 8038' - 46' (32 holes). RIH w/ production tbg. 3/28/03 - 3/31/03 Swab well. 4/1/03 Acidize Bone Sping w/ 2000 gals 15% HCL w/ (95) 7/8" ball sealers. 4/2/03 - 4/9/03 Swab well. Shut-in due to lack of production. See attached Intent to TA well.

2 -

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

SIGNATURE

TITLE Production Analyst

DATE 04-14-2003

TYPE OR PRINT NAME Sarah Joydan

TELEPHONE NO. 915/686-8235 ext 203

(This space for State Use)

OC FIELD REPRESENTATIVE WATAFF MANAGER

DATE APR 1 8 2003

CONDITIONS OF APPROVAL, IF AN