

Submit 1 Copy To Appropriate District Office
 District I -- (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II -- (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III -- (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87400
 District IV -- (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD

State of New Mexico
 Energy, Minerals and Natural Resources
JAN 10 2014
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised July 18, 2013

WELL API NO. 30-041-10129 ✓
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> <u>Fed</u>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Horton Federal ✓
8. Well Number 7 ✓
9. OGRID Number 257420
10. Pool name or Wildcat Milnesand, San Andres
11. Elevation (<i>Show whether DR, RKB, RT, GR, etc.</i>)

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 WIW

2. Name of Operator
EOR Operating Company

3. Address of Operator
200 N. Loraine, STE 1440 Midland, TX 79701

4. Well Location
 Unit Letter B : 330 feet from the N line and 2241 feet from the E line
 Section 30 Township 08S Range 35E NMPM County Roosevelt

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>	MIT <input checked="" type="checkbox"/>	OTHER: <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Well failed BHT 10/9/13. Water continued to trickle at surface after 15 minutes.

EOR Operating Company will perform mechanical integrity test on 4 1/2" production casing.
 EOR Operating Co. will notify OCD of results to discuss.

If well does not pass MIT, EOR Operating Co. will submit NOI to OCD with plans to repair.

**Condition of Approval: notify
 OCD Hobbs office 24 hours
 prior of 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 Jana True TITLE Production/Regulatory Mgr DATE 1/10/14

Type or print name Jana True E-mail address: jtrue@enhancedoilres.com PHONE: 432-242-4544

For State Use Only

APPROVED BY: Mary Brown TITLE Compliance Officer DATE 1/14/2014
 Conditions of Approval (if any):

JAN 14 2014