

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

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

WELL API NO. 30-025-26954
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name BOBBI STATE WATERFLOOD UNIT
8. Well Number 3
9. OGRID Number 232611
10. Pool name or Wildcat Arkansas Junction; San Andres, West
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3835' GR

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
SUNDOWN ENERGY LP

3. Address of Operator
13455 NOEL RD, STE. 2000, DALLAS, TX 75240

4. Well Location
 Unit Letter N : 330 feet from the SOUTH line and 2310 feet from the WEST line
 Section 20 Township 18S Range 36E NMPM County LEA

HOBBS OGD
 AUG 29 2014
 RECEIVED

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" 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"/>			
OTHER: REPAIR CSG LEAK <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.

Sundown Energy request permission to rig up on the referenced well to repair a suspected casing leak. The well recently was tested for mechanical integrity in order to extend TA status and failed. Using a plug and packer, the casing leak will be isolated and squeezed with cement, drilled out and tested for mechanical integrity. This work needs to be done in order for Sundown Energy to come into compliance with shut-in wells. This will also allow us to re-enter the well later to activate the Bobbi State Waterflood Unit. Currently there is a CIBP set @ 5450' with 3 sks cement on top.

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 Belinda Bradley TITLE Admin. Asst DATE 08/26/2014

Type or print name Belinda Bradley E-mail address bbradley@sundownenergy.com PHONE: 432-943-8770

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 08/29/14

Conditions of Approval (if any):

SEP 02 2014 [Signature]