

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

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

WELL API NO. 300 252 7024 0000
5. Indicate Type of Lease STATE [ ] FEE [ ]
6. State Oil & Gas Lease No. NM 40658
7. Lease Name or Unit Agreement Name Buckskin Federal
8. Well Number 2
9. OGRID Number
10. Pool name or Wildcat Dollarhide Queen

NO MOC D OCT 09 2014 RECEIVED

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

1. Type of Well: Oil Well [ ] Gas Well [ ] Other [X] SWD

2. Name of Operator Lanexo, Inc.

3. Address of Operator P.O. Box 2730, Midland, TX 79702

4. Well Location Unit Letter N : 554 feet from the South line and 1874 feet from the West line Section 18 Township 24 Range 38 NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3174' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)
Pit Location: UL Sect Twp Rng Pit type Depth to Groundwater Distance from nearest fresh water well
Distance from nearest surface water Below-grade Tank Location UL Sect Twp Rng ; feet from the line and feet from the line

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 COMPLETION [ ]

SUBSEQUENT REPORT OF:

- REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] PLUG AND ABANDONMENT [ ]
CASING TEST AND CEMENT JOB [ ]

OTHER: Repair Mechanical Fail. [X]

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.

Rig up Pulling Unit on 10/8/14. Pulled 1PC tbg & pkn. Found pin hole in tbg. Hydro Test tbg. Out of hole. Prep to clean out CSG. & schedule MIT Retest after repairs.

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 Charles L. Mann TITLE Prod. Supt. DATE 10/9/14
Type or print name Charles L. Mann E-mail address: Telephone No. 395-3256

(This space for State use)

APPROVED BY [Signature] TITLE Petroleum Engineer DATE 10/10/14
Conditions of approval, if any:

OCT 15 2014 [Signature]