

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 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

HOBBS OGD

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

JUL 21 2016

RECEIVED

WELL API NO. 30-025-25653 ✓
5. Indicate Type of Lease STATE FEE <u>x</u>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Drinkard Homestead ✓
8. Well Number 1 ✓
9. OGRID Number 19914 ✓
10. Pool name or Wildcat Wantz Granite Wash. ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3304'

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 x Gas Well Other

2. Name of Operator
S&D Operating. ✓

3. Address of Operator
✓ PO Box 1046 EUNICE, NM 88231

4. Well Location
 Unit Letter C : 660 feet from the N line and 2310 feet from the West line
 Section 25 Township 22S Range 37E NMPM County Lea

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- CLOSED-LOOP SYSTEM
- OTHER:
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL
x

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- OTHER:
- ALTERING CASING
- P AND A

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.

It is our intention to rig up on our Drinkard Homestead # 1 to clean to TD if needed, then acid stimulate the existing perforations (Wantz Granite Wash). We also plan to pull a new well log to evaluate the possibility of recompleting this well to a higher zone(s). Attached is the original litho log and C-105 current configuration of well bore. We will be rigging up as soon as equipment can be scheduled.

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 ✓ Pat Sims TITLE Managing Partner DATE July 20, 2016

Type or print name Pat Sims E-mail address: pasims@windstream.net PHONE: 575-390-2642

For State Use Only
 APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 07/21/16
 Conditions of Approval (if any): _____