

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
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
May 27, 2004

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

WELL API NO. 30-025-09295
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: STATE A A/C-1
8. Well Number 081
9. OGRID Number 194849
10. Pool name or Wildcat JALMAT; TAN, YATES, 7-RVRS (GAS) 79240
11. Elevation (Show whether DR, RKB, RT, GR, etc.)
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type N/A Depth to Groundwater 149 Distance from nearest fresh water well 1000+ Distance from nearest surface water 1000+
Pit Liner Thickness: N/A mil Below-Grade Tank: Volume 500' bbls; Construction Material STEEL (FRAC TANKS)

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator PETROHAWK OPERATING COMPANY
3. Address of Operator 1100 LOUISIANA, SUITE 4400
4. Well Location Unit Letter C : 660 feet from the NORTH line and 1980 feet from the WEST line Section 10 Township 23S Range 36E NMPM County LEA
11. Elevation (Show whether DR, RKB, RT, GR, etc.)
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type N/A Depth to Groundwater 149 Distance from nearest fresh water well 1000+ Distance from nearest surface water 1000+
Pit Liner Thickness: N/A mil Below-Grade Tank: Volume 500' bbls; Construction Material STEEL (FRAC TANKS)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please see attached procedure and wellbore schematic

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 Anna Tarpey TITLE Regulatory Analyst DATE 04/03/06
Type or print name Anna Tarpey E-mail address: atarpey@petrohawk.com Telephone No. 832-204-2760

For State Use Only

APPROVED BY Ray W. Wink TITLE FIELD REPRESENTATIVE / STAFF MANAGER DATE APR 10 2006
Conditions of Approval, if any:

FORM	TOP																																		
			<p>9 5/8" @ 326'</p> <p>w/300 sx Cmt</p>																																
			<p>Cored 3,669-3,754'</p>																																
			<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">STATE A A/C-1 #81</p> <p style="text-align: center;">PROPOSED WELLBORE DIAGRAM</p> <p style="text-align: center;">MISSION RESOURCES INC</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>SU-T-R</td> <td>10C-23S-36E</td> <td>API #:</td> <td>30-025-09295</td> </tr> <tr> <td>POOL:</td> <td colspan="3">JALMAT; TAN-YATES-7 RVRS (PRO GAS)</td> </tr> <tr> <td>CO, ST:</td> <td>LEA, NEW MEXICO</td> <td>LAND TYPE:</td> <td>STATE</td> </tr> <tr> <td>STATUS:</td> <td>ACTIVE</td> <td>ACREAGE</td> <td>40.12</td> </tr> <tr> <td colspan="4">LATEST RIG WORKOVER:</td> </tr> <tr> <td colspan="4">DIAGRAM REVISED: 4/27/2004 BY ERG</td> </tr> </table> </div>	SU-T-R	10C-23S-36E	API #:	30-025-09295	POOL:	JALMAT; TAN-YATES-7 RVRS (PRO GAS)			CO, ST:	LEA, NEW MEXICO	LAND TYPE:	STATE	STATUS:	ACTIVE	ACREAGE	40.12	LATEST RIG WORKOVER:				DIAGRAM REVISED: 4/27/2004 BY ERG											
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			<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">TAN-YATES-7 RVRS ZONE HISTORY</p> <p>9/99 Recompleted from Queen</p> <p>9/16/99 Perforated Yates 3,083-3,276' (50 holes)</p> <p>Frac w/37,140 gals 40# linear & 104 tons CO₂ & 183,000# 12/20</p> <p>IP 0 BOPD, 39 MCFPD, 2 BWPD</p> </div>																																
			<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">PROPOSED</p> <p>Squeeze Yates perms 3083-3276'</p> <p>DO 3,000' & cmt</p> <p>Run cased hole log</p> <p>Perf top of 7 Rvrs 3,346-3,352'</p> <p>Check for communication w/Yates</p> <p>Set 4 1/2" liner on CIBP @ 3,590' & cmt in place</p> <p>Perf 3,292-3,582'</p> <p>Acidize perms w/2500 gals 71/2% NEFE HCl w/PPI tool</p> <p>Frac 7 Rivers perms</p> <p>RIH w/2 3/8" prod tbg, pump & rods</p> <p>Pump test well</p> </div>																																
			<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">LANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY</p> <p>1/60 Spud. 1/60 Initial completion</p> <p>Completed openhole 3,681' to 3,754'</p> <p>1/60 Vibro-frac 3,745-50' w/two #3 charges</p> <p>SOF w/10,000 gal oil & 10,000# 20/40 sand.</p> <p>IPF 142 BO, 7.5 BW in 8 hrs</p> <p>5/85 Deepen OH to 3,780'.</p> <p>Perforated 3,654-77'.</p> <p>Acidize OH & 3,654-77' w/6000 gal 15%</p> <p>After P 7 BOPD, 40 BWPD & 40 MCFPD</p> <p>12/86 Change pump</p> <p>10/93 Set CIBP @ 3,625' w/35' cmt on top. Tstd to 530 psi - OK. T&A well.</p> </div>																																
			<p>TOC @ 2,180' by Temp Surv.</p>																																
			<p>Squeeze Perfs: 3,083-3,276'</p> <p>Perfs: 3292-3582'</p> <p>3292, 94, 96, 3302, 22, 44 (2 spf), 46 (2 spf), 48 (2 spf), 50 (2 spf), 53 (2 spf), 72, 76, 3410, 27, 34, 53, 72, 75 (2 spf), 79 (2 spf), 81 (2 spf), 89, 98, 3508, 17, 24, 27 (2 spf), 29, 31, 58, 63, 66, 68, 78, 80 (2 spf), 82' (2 spf)</p> <p>Perf: 3,346-3,352'</p> <p>3346, 48, 50, 52'</p> <p>4 1/2" Liner @ 3,590'</p> <p>CIBP @ 3,590'</p> <p>CIBP @ 3,625' w/35' cmt on top on 10/1/93</p> <p>Perfs: 3,654-77'</p> <p>3,654-56, 67, 77'</p> <p>7" @ 3,681' w/250 sx Cmt</p> <p>Original TD @ 3,754', deepened on 5/85</p>																																
TANSILL	2,934' (file pick)																																		
YATES	3,100'																																		
7 RVRS	3,298'																																		
QUEEN	3,706'																																		
		TD 3,780'																																	

Petrohawk Energy Corporation
Jalmat Field
Lea County, New Mexico

Project: Squeeze Yates perforations and add-pay in the Seven Rivers

Well: State A A/C-1 #81

Procedure:

1. Test pulling unit anchors if they have not been tested within 2 years
2. MIRU PU
3. Install BOP, POOH scan tbg out of hole, lay down all green and red band tbg
4. PU 6 1/4" bit and scraper RIH to PBTD @ 3625' + 35' of cement(3595'), POOH
5. PU 7" Pkr and RIH set Pkr @ 2700'+/-
6. RU cement company squeeze Yates perforations from 3083' to 3276'
7. Pull up hole with Pkr
8. WOC overnight
9. POOH and LD Pkr
10. PU 6 1/4" bit & DC's RIH, drill out 3000' and cement, continue in hole @ 3590' circ hole clean
11. POOH and lay down DC's and bit
12. RU wireline co run cased hole log and perf top of 7 Rivers at 3346', 3348', 3350', 3352'
13. PU 7" Pkr and RIH to 3200'+/-, set Pkr and swab test 7 Rivers perfs to check for communications with Yates, If no communications then proceed with liner installation
14. POOH and LD Pkr
15. PU 4 1/2" X 7" liner shoe, 1 joint of 4 1/2" liner, Float collar, and remainder of 4 1/2" liner
16. Set liner on CIBP @ 3590', RU cementing company, cement liner in place
17. WOC 12 hrs minimum
18. RIH with 3 3/4" bit, slim hole DC's on 2 3/8" tbg and clean out liner to liner shoe, circulate hole clean,
19. POOH and lay down, DC's and bit
20. Perforate pay in the 7 Rivers at 3292', 3294', 3296', 3302', 3322', 3344'(2 spf), 3346'(2 spf), 3348'(2 spf), 3350'(2 spf), 3353'(2 spf), 3372', 3376', 3410', 3427', 3434', 3453', 3472', 3475'(2 spf), 3479'(2 spf), 3481'(2 spf), 3489', 3498', 3508', 3517', 3524', 3527'(2 spf), 3529', 3531', 3558', 3563', 3566', 3568', 3578', 3580'(2 spf), 3582'(2 spf)
21. Acidize perfs with 2500 gals of 7 1/2% NEFE HCl with PPI tool, POOH with tbg and PPI tool
22. Fracture stimulate 7 Rivers perforations.
23. Force close fracture and begin flow back
24. RIH w/ 2 3/8" production tbg, PU MA and TAC, set TAC, RIH with pump w/GA and rods
25. Pump test well