

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. <b>30-025-09300</b>
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: <b>STATE A A/C-3</b>
8. Well Number <b>004</b>
9. OGRID Number <b>194849</b>
10. Pool name or Wildcat <b>JALMAT; TAN, YATES, 7-RVRS (GAS) 79240</b>

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

Pit or Below-grade Tank Application ☐ or Closure ☐

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	7. Lease Name or Unit Agreement Name: <b>STATE A A/C-3</b>
2. Name of Operator <b>PETROHAWK OPERATING COMPANY</b>	8. Well Number <b>004</b>
3. Address of Operator <b>1100 LOUISIANA, SUITE 4400</b>	9. OGRID Number <b>194849</b>
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>NORTH</u> line and <u>2310</u> feet from the <u>EAST</u> line Section <u>10</u> Township <u>23S</u> Range <u>36E</u> NMPM County <u>LEA</u>	10. Pool name or Wildcat <b>JALMAT; TAN, YATES, 7-RVRS (GAS) 79240</b>
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Pit type <u>N/A</u> Depth to Groundwater <u>149'</u> Distance from nearest fresh water well <u>1000'+</u> Distance from nearest surface water <u>1000'+</u>	
Pit Liner Thickness: <u>N/A</u> mil Below-Grade Tank: Volume <u>500</u> bbls; Construction Material <u>STEEL (FRAC TANKS)</u>	

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 ☐  
OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: ☐

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 [Signature] 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 [Signature] DATE APR 10 2006  
Conditions of Approval, if any: OC FIELD REPRESENTATIVE II/STAFF MANAGER

**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-3 #4

**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 4 3/4" bit and scraper RIH to PBTD @ 3690', POOH
5. RIH with CIBP on tbg, Set CIBP @ 3600'
6. POOH with tbg and PU 5 1/2" pkr set pkr @ 3200' and swab to check for communications between Yates and 7 Rivers, POOH and LD pkr
7. PU 5 1/2" CICR and RIH set CR @ 3200'+/-
8. RU cement company squeeze 7 Rivers perforations from 3405' to 3503' sting out of retainer and dump cement on top of retainer and bull head squeeze Yates perforations from 3059' to 3148'
9. POOH with tbg
10. WOC overnight
11. PU 4 3/4" bit & DC's RIH, drill out cemet, CICR @ 3200' and cement, continue in hole to CIBP @ 3600', circ hole clean
12. POOH and lay down DC's and bit
13. PU 4" X 5 1/2" liner shoe, 1 joint of 4" FL4S liner, 4" float collar and remainder of 4" FL4S liner
14. Set liner on CIBP @ 3600', RU cementing company, cement liner in place
15. WOC 12 hrs minimum
16. RIH with 3 1/4" bit, slim hole DC's on 2 3/8" tbg and clean out to float collar
17. POOH and lay down, DC's and bit
18. RU wireline co and run cased hole logs
19. Add additional pay in the 7 Rivers at 3169', 3172', 3178', 3183', 3189', 3193', 3198', 3203', 3212'(2 spf), 3214'(2 spf), 3216'(2 spf), 3218'(2 spf), 3220'(2 spf), 3222'(2 spf), 3229', 3231', 3238', 3256', 3280'(2 spf), 3282'(2 spf), 3284'(2 spf), 3286', 3289', 3313', 3345', 3361', 3391', 3402', 3404'(2 spf), 3406', 3413', 3418', 3435', 3486', 3501'(2 spf).
20. Acidize pers with 2500 gals of 7 1/2% NEFE HCl with PPI tool, POOH with tbg and PPI tool
21. Fracture stimulate 7 Rivers perforations.
22. Force close fracture and begin flow back
23. RIH on 2 3/8" production tbg, PU MA and TAC, set TAC, RIH with pump w/GA and rods
24. Pump test well

FORM	TOP																																													
<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 20px;">TANSILL</div> <div style="margin-bottom: 20px;">YATES</div> <div style="margin-bottom: 20px;">7 RVRS</div> <div>QUEEN</div> </div>			<div style="text-align: center;"> <b>STATE A A/C-3 #4</b>  <b>PROPOSED WELLBORE DIAGRAM</b>  <b>MISSION RESOURCES INC</b> </div> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>SU-T-R</b></td> <td>10B-23S-36E</td> <td><b>API #:</b></td> <td>30-025-09300</td> </tr> <tr> <td><b>POOL:</b></td> <td colspan="3">JALMAT; TAN-YATES-7 RVRS (PRO GAS)</td> </tr> <tr> <td><b>CO, ST:</b></td> <td>LEA, NEW MEXICO</td> <td><b>LAND TYPE:</b></td> <td>STATE</td> </tr> <tr> <td><b>STATUS:</b></td> <td>ACTIVE</td> <td><b>ACREAGE</b></td> <td>40.12</td> </tr> <tr> <td colspan="4"><b>LATEST RIG WORKOVER:</b></td> </tr> <tr> <td colspan="4"><b>DIAGRAM REVISED:</b> 3/3/2006 BY RSL</td> </tr> </table> <div style="margin-top: 20px;"> <p>9 5/8" @ 320' w/300 sx Cmt</p> <p>Hole in csg @ approx. 440' Sqzd. And cmt circ. To surface</p> <p style="text-align: center;">Cored well 3,629-3729'</p> <p>TOC @ 2,380' by Temp Surv.</p> <p><b>Squeeze Perfs: 3059-3148'</b>  <b>Perfs: 3,169-3,501'</b>            3169, 72, 78, 83, 89, 93, 98, 3203, 12 (2 spf),            14 (2 spf), 16 (2 spf), 18 (2 spf), 20 (2 spf),            22 (2 spf), 29, 31, 38, 56, 80 (2 spf), 82 (2 spf),            84 (2 spf), 86, 89, 3313, 45, 61, 91, 3402,            04 (2 spf), 06, 13, 18, 35, 86, 3501' (2 spf)</p> <p><b>Squeeze Perfs: 3405-3503'</b>            4" Liner @ 3,600', cmt            Set CIBP @ 3,600'  <b>Perfs: 40 holes</b>            3621-26, &amp; 3635-68 (2/85)</p> <p>5 1/2" @ 3,677' w/250 sx Cmt            CIBP pushed to 3,690' from 3,370 on 5/20/99.</p> </div>	<b>SU-T-R</b>	10B-23S-36E	<b>API #:</b>	30-025-09300	<b>POOL:</b>	JALMAT; TAN-YATES-7 RVRS (PRO GAS)			<b>CO, ST:</b>	LEA, NEW MEXICO	<b>LAND TYPE:</b>	STATE	<b>STATUS:</b>	ACTIVE	<b>ACREAGE</b>	40.12	<b>LATEST RIG WORKOVER:</b>				<b>DIAGRAM REVISED:</b> 3/3/2006 BY RSL																						
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				<div style="text-align: center;"> <b>LOG ELEVATION: 3,480' DF</b>  <b>GROUND ELEVATION: 3,469'</b> </div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>CASING</th> <th>LINER</th> <th>TUBING</th> </tr> </thead> <tbody> <tr> <td>Hole</td> <td>12"</td> <td>7 7/8"</td> <td></td> </tr> <tr> <td>Pipe</td> <td>9 5/8"</td> <td>5 1/2"</td> <td>2 3/8"</td> </tr> <tr> <td>Weight</td> <td>32#</td> <td>14#</td> <td>4.7#</td> </tr> <tr> <td>Grade</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Thread</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Depth</td> <td>320'</td> <td>3,677'</td> <td>3,451'</td> </tr> <tr> <td>Mud wt</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <div style="margin-top: 20px;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">LOGS</th> </tr> </thead> <tbody> <tr> <td>Temperature Survey</td> <td></td> </tr> <tr> <td>Perf. Log</td> <td></td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table> </div>		CASING	LINER	TUBING	Hole	12"	7 7/8"		Pipe	9 5/8"	5 1/2"	2 3/8"	Weight	32#	14#	4.7#	Grade				Thread				Depth	320'	3,677'	3,451'	Mud wt				LOGS		Temperature Survey		Perf. Log					
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			<div style="border: 1px solid black; padding: 5px;"> <b>TAN-YATES-7 RVRS ZONE HISTORY</b>            12/90 Recomplete from Queen.            Perf 3059-3148' &amp; 3405-3503'.            Acidize 3405-3503' w/3000 gal 15%            Set RBP @ 3,370'            Acidize 3059-3148' w/3000 gal 15%            Frac 3059-3148 w/160,000# sand. Pull RBP's.            2/91 Set CIBP @ 3,370'.            5/20/99 CO frac sand from 3214' to 3280'. Pushed            CIBP to 3,690'.            2'x1-1/2"x12' pump in well            There were a lot of sand flow-back problems.         </div>																																											
			<div style="border: 1px solid black; padding: 5px;"> <b>PROPOSED</b>            Set CIBP @ 3,600'            Check for communication between Yates &amp; 7 RVrs            Squeeze 7 RVrs perfs 3,405-3,503'            Squeeze Yates perfs 3,059-3,148'            DO CICR @ 3,200'            Set 4" Liner on CIBP @ 3,600', cmt in place            Run cased hole log            Perf 7 Rivers 3,169-3,501'            Acidize perfs w/2500 gals 7 1/2% NEFE HCl w/PPI tool            Frac 7 Rivers perfs            RIH w/2 3/8" prod tbg, pump &amp; rods            Pump test well         </div>																																											
			<div style="border: 1px solid black; padding: 5px;"> <b>LANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY</b>            2/19/60 Spud. 2/27/60 Initial Completion.            3/60 Open hole completion 3677-3729'            Vibro-frac 3686-94' w/10,000 gal oil &amp; 10,000# sand.            IP 256 BO, 23 BW 1145 MCF            2/85 Acidize openhole w/5000 gal 15%            Perf 3621-68            Acidize w/4000 gal 15%            Frac w/12,000 gal gel &amp; 26,000# sand            8/90 Locate casing leak @ approx. 440'. Sqz &amp; circ cmt            to surface. Still had slow leak.            12/90 Set RBP @ 3,600'. Tst shallow sqz - OK.            Well was making 1000 MCFM &amp; 80 BOPM         </div>																																											