

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. 30-025-10715
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 078
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 G : 1980 feet from the NORTH line and 1980 feet from the EAST line Section 14 Township 23S Range 36E NMPM County LEA
11. Elevation (Show whether DR, RKB, RT, GR, etc.)
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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 Harry W. Wink FIELD REPRESENTATIVE II/STAFF MANAGER DATE APR 10 2006
Conditions of Approval, if any:

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 #78

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 @ 3380', POOH
5. PU 7" Pkr and RIH set Pkr @ 2850'+/-
6. RU cement company squeeze Yates perforations from 3055' to 3070'
7. Pull up hole with pkr
8. WOC overnight
9. PU 6 1/4" bit & DC's RIH, drill out cement, continue in hole and drill cement off of CIBP @ 3380', do not compromise CIBP
10. POOH and lay down DC's and bit
11. PU 4 1/2" X 7" liner shoe, 1 joint of 4 1/2" liner, float collar, and remainder of 4 1/2" liner
12. Set liner on CIBP @ 3380', RU cementing company, cement liner in place
13. WOC 12 hrs minimum
14. RIH with 3 3/4" bit, slim hole DC's on 2 3/8" tbg and clean out liner thru float collar to shoe, circulate hole clean,
15. POOH and lay down, DC's and bit
16. RU wireline co and run cased hole log
17. Add additional pay in the 7 Rivers at 2822', 2824', 2840', 2862', 2876', 2878', 2895', 2897', 2899', 2938', 2960', 2978', 2987', 2998', 3008', 3017', 3030', 3040', 3045', 3090', 3109', 3118', 3130', 3138', 3149', 3181', 3190', 3193', 3196', 3210', 3219', 3245', 3257', 3286', 3290', 3295', 3302', 3304', 3323', 3335', 3345', 3368', 3370'(2 spf), 3375'(2 spf)
18. Acidize perfs with 2500 gals 7 1/2% NEFE HCl with PPI tool, POOH with tbg and PPI tool.
19. Fracture stimulate 7 Rivers perforations, tag frac
20. Force close fracture
21. RU wireline and run tag survey
22. Flow back frac
23. RIH w/ 2 3/8" production tbg, PU MA and TAC, set TAC, RIH with pump w/GA and rods
24. Pump test well

FORM	TOP																																		
		STAE A A/C-1 #78 PROPOSED WELLBORE DIAGRAM MISSION RESOURCES INC																																	
		SU-T-R 14G-23S-36E POOL: JALMAT; TAN-YATES-7 RVRS (PRO GAS) CO, ST: LEA, NEW MEXICO STATUS: IN-ACTIVE LATEST RIG WORKOVER: DIAGRAM REVISED: 5/21/2004 BY ERG	API #: 30-025-10715 LAND TYPE: STATE ACREAGE 40.12																																
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