

Submit 3 Copies To Appropriate District Office
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

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.
30-041-10003

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
State BA

7. Lease Name or Unit Agreement Name

State BA

8. Well Number #001

9.0 OGRID Number
227083

10.0 Pool name or Wildcat
Todd Upper San Andres

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 ☒ Gas Well ☐ Other

2. Name of Operator
Orbit Energy

3. Address of Operator
720 W. Wilshire, Suite 115 Oklahoma City, OK 73116

4. Well Location

Unit Letter H : 990 feet from the North line and 990 feet from the East line
Section 34 Township 7S Range 35E NMPM County - Roosevelt

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4,194 feet amsl

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/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.

The NMOCD has determined that the operator, Orbit Energy, has abandoned the lease. Kleinfelder has been contracted through a New Mexico General Services Division contract by the New Mexico Oil Conservation Division (NMOCD) to provide environmental assessment and remediation services at the State BA-1 location. Kleinfelder will also subcontract a plugging contractor and provide technical oversight of the plugging and abandoning of State BA-1 as part of the remedial activities at the well site. Timely and proper plugging and abandonment of the well is necessary to prevent possible impacts to the environment and to comply with NMOCD regulations.

The well is scheduled to be plugged and abandoned by the end of May 2006. We will notify the NMOCD 24 hours prior to the beginning of plugging operations. The proposed plugging operation procedures for State BA-1 are attached. Kleinfelder's contact for the project is Bob Wilcox, P.G. and can be reached at:

Kleinfelder, Inc.
8300 Jefferson, NE Suite B
Albuquerque, NM 87144
(505) 344-7373
(505) 344-1711 fax
(505) 980-8037 cell
rwilcox@kleinfelder.com

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 NMOCD-approved plan ☐.

SIGNATURE Bob Wilcox TITLE Project Manager DATE 4/19/06

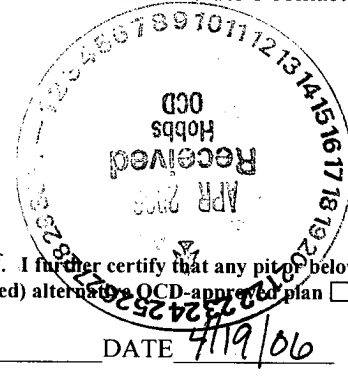
Type or print name Bob Wilcox

E-mail address: rwilcox@kleinfelder.com Telephone No. (505) 344-7373

For State Use Only

APPROVED BY: Harry W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE APR 25 2006

Conditions of Approval (if any):



**Orbit Enterprises
State BA #1
UL A, Section 34, T7S, R35E
Plugging Procedure**

**8 5/8" casing set at 332 ft, Cement circulated
4 1/2" 9.5#/ft casing set at 4430 ft, TOC 3500 ft by TS
Perfs 4354-4389 ft**

- 1. Move in rig up plugging rig**
- 2. Pull production equipment**
- 3. Nipple up BOP**
- 4. Run and set CIBP at 4300 ft**
- 5. Cap CIBP with 35 feet of cement by dump bailer**
- 6. Run tubing and tag cement plug**
- 7. Displace well with gelled brine water**
- 8. Pull tubing to 3550 feet**
- 9. Spot 25 sack cement plug**
- 10. Pull tubing**
- 11. Perf casing at 1949 ft**
- 12. Run packer and tubing, set packer at 1750 ft,**
- 13. Squeeze perfs with 25 sack cement**
- 14. WOC**
- 15. Release packer and tag cement plug, Maximum depth 1849 ft**
- 16. Pull tubing and packer**
- 17. Perf casing at 382 ft**
- 18. Establish circulation through 4 1/2" x 8 5/8" casing annulus**
- 19. Circulate cement to surface, Estimated at 100 sack cement**
- 20. Cut off wellhead and install PA marker**
- 21. Rig down move out service unit**
- 22. Cut off anchors and clean location.**