

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. 30-025-37845
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-8197
7. Lease Name or Unit Agreement Name CP 3 State
8. Well Number #1
9. OGRID Number 113315
10. Pool name or Wildcat Lovington Drinkard

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
Texland Petroleum-Hobbs, LLC

3. Address of Operator
777 Main Street, Suite 3200, Fort Worth, Texas 76102

4. Well Location
Unit Letter P : 1229 feet from the South line and 1005 feet from the East line
Section 3 Township 17S Range 36E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3867'

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: ☒ Spud

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.

Spudded well @ 3:30 pm 4/30/06

5/2/06 TD 17 1/2" hole @ 1982'

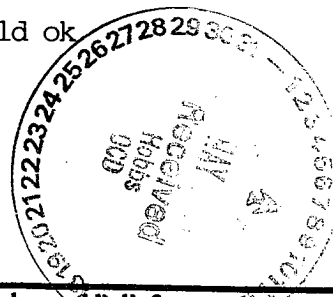
Ran 46 jts 8 5/8" 24# J55 ST&C csg, Set @ 1982'

Cmtd w/700 sks 35:65:6 Poz C gel w/3% salt (12.5 ppg, 2.52 yd)

Tail in w/250 sks Cl "C" w/2% CaCl (14.8 ppg, 1.34 yd)

PD @ 3:30 pm 5/2/06, Circ 79 bbls to pit

WOC 12 hrs, Test csg to 1200 psi/30 min, Held ok



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 Vickie Smith TITLE Production Analyst DATE 5/3/06

Type or print name Vickie Smith

E-mail address: vsmith@texpetro.com Telephone No. 817-336-2751

For State Use Only

APPROVED BY: [Signature] TITLE _____

PETROLEUM ENGINEER DATE MAY 09 2006