

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. 30-025-35577
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name LANGLIE JAL UNIT
8. Well Number 120
9. OGRID Number 188483
10. Pool name or Wildcat LANGLEY MATTIX, 7 RVRSQ

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator PHOENIX HYDROCARBONS OPERATING CORPORATION	
3. Address of Operator P O BOX 3638, MIDLAND, TX 79702	
4. Well Location Unit Letter <u>O</u> : <u>1100</u> feet from the <u>South</u> line and <u>2365</u> feet from the <u>East</u> line Section <u>31</u> Township <u>24S</u> Range <u>37E</u> NMPM Lea County NM	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3232' GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Convert to Injection well <input checked="" 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.

Note: The LJU 120 was drilled, completed and tested as a producing well in 2001 by Kenson Operating and was never produced due to a high water cut. Kenson failed to file a C-103 upon completion of the well so Phoenix as the new operator did so in 2003. A review of the well file indicates the well was perforated from 3252' - 3638' in 2001 and not 3332' - 3638' as reported in 2003.

The proposed work is to convert the LJU 120 into an injection well. Form C-108 is being filed concurrent with this filing.

1. MIRU. GIH with Ad-1 Tension packer on IPC 2 7/8" tubing.
2. Set packer at +/- 3220'.
3. Conduct MIT. **NOTIFY OCA 24 HRS IN ADVANCE**
4. Hook up injection line with turbine meter at well to measure injection volume.
5. Place well on injection.

Work will commence as soon as possible after NMOCD approval. We would estimate the timing to be 3 to 6 weeks after NMOCD approval as this has been usual waiting period for a rig.

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 Billy Sneed TITLE Engineer DATE 8/25/06

Type or print name Billy Sneed

E-mail address: bsneed@t3mid.com

Telephone No. 432-686-9869

For State Use Only

APPROVED BY: Hayden Wink

FIELD REPRESENTATIVE II/STAFF MANAGER

DATE AUG 28 2006