

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
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-28223
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-732-2
7. Lease Name or Unit Agreement Name N.M. State D.L. State
8. Well Number 1
9. OGRID Number
10. Pool name or Wildcat CRUZ DELAWARE

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
PRONGHORN MANAGEMENT CORPORATION

3. Address of Operator
P.O. BOX 1772 HOBBS, NM 88240 505-392-2495

4. Well Location
Unit Letter I : 1980 feet from the SOUTH line and 1980 feet from the EAST line
Section 18 Township 23S Range 33E NMPM LEA County

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

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL Sect Twp Rng Pit type Depth to Groundwater Distance from nearest fresh water well
Distance from nearest surface water Below-grade Tank Location UL Sect Twp Rng ;
feet from the line and feet from the line

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.

See attached. LOWER DELAWARE RECOMPLETION.

*DEVELOP PLAN - REVITALIZATION POTENTIAL
ALSO ATTACHED.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any and all below grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OGD approved plan ☐.

SIGNATURE G. A. Baber TITLE PARTNER

Type or print name G. A. Baber

E-mail address:

Telephone No. 505-392-2495

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE AUG 30 2006
Conditions of approval, if any.

June 25, 2006

D.L. #1 – Workover Lower Delaware

1. Move in and rig up. POOH with rods and pump. Install B.O.P. POOH with tubing. (T.A.C.)
2. Rig up wireline truck. Run gauge ring to 8800'. Set CIBP @ 8100'. Cap with 35' cement.
3. Perforate Delaware 7505' – 7444'. 7551' – 7556' with 2 JSPF.
4. TIH with packer and R.B.P. Isolate zone @ 7551' – 7556'. Pressure test.
5. Acidize. Swab and test zone.
6. Move packer and plug to isolate zone at 7444' – 7505'. PSI test.
7. Acidize. Swab and test zone.
8. Put well on production.