

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, 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

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

Form C-103  
Revised March 25, 1999

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-02405
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Louray Oil Co.		6. State Oil & Gas Lease No. 63404-00
3. Address of Operator P.O. Box 2081, Lovington, NM 88260		7. Lease Name or Unit Agreement Name: Sarah Sue
4. Well Location Unit Letter <u>E</u> 1980 feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>36</u> Township <u>19S</u> Range <u>34E</u> NMPM Chaves, County		8. Well No. 1
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3721 GL		9. Pool name or Wildcat Pearl Seven Rivers

11. 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"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: REQUEST BY OCD <input checked="" type="checkbox"/>	

12. 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.

8/29/06 Pulled 138 jts. 2 7/8" tbg. out of hole. Waiting on wireline truck to run a cement bond log.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Debra M. Kelly TITLE Agent, For Louis Edgett, Principal DATE 9/26/06

Type or print name for Louis Edgett Telephone No. 505-631-3387

(This space for State use)

APPROVED BY Harry W. Wink TITLE FIELD REPRESENTATIVE II/STAFF MANAGER

Conditions of approval, if any:

DATE SEP 20 2006