

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
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-025-01023
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-3026
7. Lease Name or Unit Agreement Name: STATE 65
8. Well No. 1
9. Pool name or Wildcat Hightower; Atoka, North

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
NorthStar Operating Company

3. Address of Operator
P.O. Box 10708, Midland, Texas 79702-7708

4. Well Location
Unit Letter **E** : **1977** feet from the **North** line and **669** feet from the **West** line
Section **1** Township **12S** Range **33E** NMPM **Lea** County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
4232' GR

11. 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: Re-Entry & Completion ☒

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.

- Re-entry to 7" casing stub -

05/18/06 - 07/06/06 Move in, RU Joe's Well Service. Drill to 8', encounter a bolt, 1 1/8" dia. x two feet long, in hard cement, on wall of 9 5/8" csg. Drill to 23' good cement, hit junk. Recover remains of 7" casing collar. TIH w/bit, drill plug to 30'. Wash to 4,450'. Drilled bridge @ 4,450'-60'. Wash and ream down to 6,678', tag hard, on steel. RU Weatherford and run GR/Den-Neutron/DLL/Microlog from 3,940'-5,673'. Make up and TIH with 3 1/2" mudshoe, knuckle joint, tbg anchor and rerun pilot mill (8 5/8" od) on 3 1/2" tbg. Work into 7" csg top @ 6,678'. RU casing crew. Run 6,671' of 7" 23# N-80 csg, latch onto stub. Pull 20k over, looks like latched on ok. Set slips, cut off 7", nipple up well head and BOP. TIH and retrieve pilot and tbg anchor.

~~Cleanout 7" casing to original TD of 10,813'. Drill new hole to 11,137'.~~

07/07/06 - 07/28/06 TIH w 3 1/2" tubing & 6 1/8" bit. Tag @ 7,815', PU swivel. Drld from 7815' to 7900'. TIH to 8916'. Drill from 8916' to 9087'. TIH to 9446'. Ream to 10,496'. TIH to 10,502', displace hole w/brine & circ & mix mud, ream to 10,813', drill new hole to 11,137', circulate hole clean. TOH, RU Halliburton Logging and run GR/Den-Neutron/DLL/Microlog from 8400'-11,137'.

- Run 4 1/2" liner and cement and perforate -

07/29-30/06 RU Lewis casing crew. Run: Float shoe, 1 jt 47.50', float collar, landing collar, 53 jts 4 1/2" 11.6# N-80 8rd LTC csg, hanger/packer/PBR, assy. (2,356.13'). Set liner (Top at 8,764'), RU BJ Services and cement w/325 sx Super C Modified cmt, pull 1 jt, reverse circ. Recover 1 bbl of cement. 07/31/06 - 08/05/06 MIRU reverse unit. TIH with 3 7/8" bit, 6 - 3 1/8" DC, and 2 3/8" tbg. No solid cement on top of liner. Tag plug and push to 10,450'. Drill plug and cement to 11,065'. Circ clean. POH. Lay down DC, RIH with bit & scraper to 11,065'. Displace hole with 7% KCL water. POH. Pick up tubing conveyed perforating, arrow set 1-X packer with 1.812 "F" profile in on/off. TIH, correlate depth with gamma ray log. Set packer, nipple up well head. RU well tester. Drop bars. Began producing 7:00 PM 08/05/06.

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

SIGNATURE  TITLE President DATE 09/26/2006

Type or print name Mark A. Philpy

Telephone No. 432/684-5765

(This space for State use)

APPROVED BY  TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE NOV 29 2006
Conditions of approval, if any: