State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 5-27-2004

FILE IN TRIPLICATE OIL CONSERVATION DIVISION WELL API NO. DISTRICT I 1220 South St. Francis Dr. 1625 N. French Dr., Hobbs, NM 88240 30-025-07369 Santa Fe, NM 87505 5. Indicate Type of Lease DISTRICT II 1301 W. Grand Ave, Artesia, NM 88210 STATE FEE X DISTRICT III 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd. Aztec. NM 87410 7. Lease Name or Unit Agreement Name SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A North Hobbs (G/SA) Unit DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (Form C-101) for such proposals.) Section 19 1. Type of Well: 8. Well No. 311 Oil Well Gas Well Injector 2. Name of Operator 9. OGRID No. 157984 Occidental Permian Ltd. 3. Address of Operator 10. Pool name or Wildcat Hobbs (G/SA) HCR 1 Box 90 Denver City, TX 79323 4. Well Location Unit Letter B Feet From The : 1309 Feet From The 2310 North **NMPM** Section Township Range 18-S 11. Elevation (Show whether DF, RKB, RT GR, etc.) 3667 Pit or Below-grade Tank Application or Closure Distance from nearest fresh water well

Distance from nearest surface Pit Type _____ Depth of Ground Water Pit Liner Thickness Below-Grade Tank: Volume bbls; Construction Material Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 12. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **CHANGE PLANS** COMMENCE DRILLING OPNS. **PLUG & ABANDONMENT TEMPORARILY ABANDON PULL OR ALTER CASING** CASING TEST AND CEMENT JOB Multiple Completion OTHER: OTHER: Squeeze & prepare for gas injection 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. 1. RUPU. RIH w/7" casing scraper. Tagged liner top @3868'. Test casing to 1000#. OK. POOH w/scraper. 2. RU wire line & perforate 2 holes @498'. RD wire line. 3. Mixed & pump 200 sacks of Premium Plus cement w/2% Cal Chloride. Displaced cement down casing @1 bbl/min w/15.6 bbl of fresh water. 4. RIH w/6-1/4" bit & collars. Tagged top of cement @315'. Drill out cement to 487'. Circ hole clean. 5. Drill out cement from 487' to 545'. Fell out of cement. 6. RU wire line to run CBL from 1000' to surface. RD wire line. 7. RIH w/4-1/4" bit & collars. Drilled out 5" CIBP @4016'. 8. RIH w/5" cement retainer set @3948'. Mixed & pumped 100 sacks of Premium Plus cement w/fluid loss & 50 sacks of Premium Plus w/2% Cal Chloride & .2% Super CBL into casing leak @4030-4060'. Sting out of retainer. Reversed out 19 bbl of water & 2 bbl cement slurry. 9. RIH w/4-1/4" bit & drill collars. Tag cement retainer @3948' Drill out CR & cement down to 4017'. Fell out of cement. Continue in the hole to 4150'. Circ hole clean. Test squeeze to 1000 PSI. OK. ****See additional data on attached sheet**** 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 or an (attached) alternative OCD-approved , a general permit SIGNATURE TITLE Administrative Associate 12/15/2006 TYPE OR PRINT NAME TELEPHONE NO. H-mail address: Jøhnson 806-592-6280 For State Use Only APPROVED BY

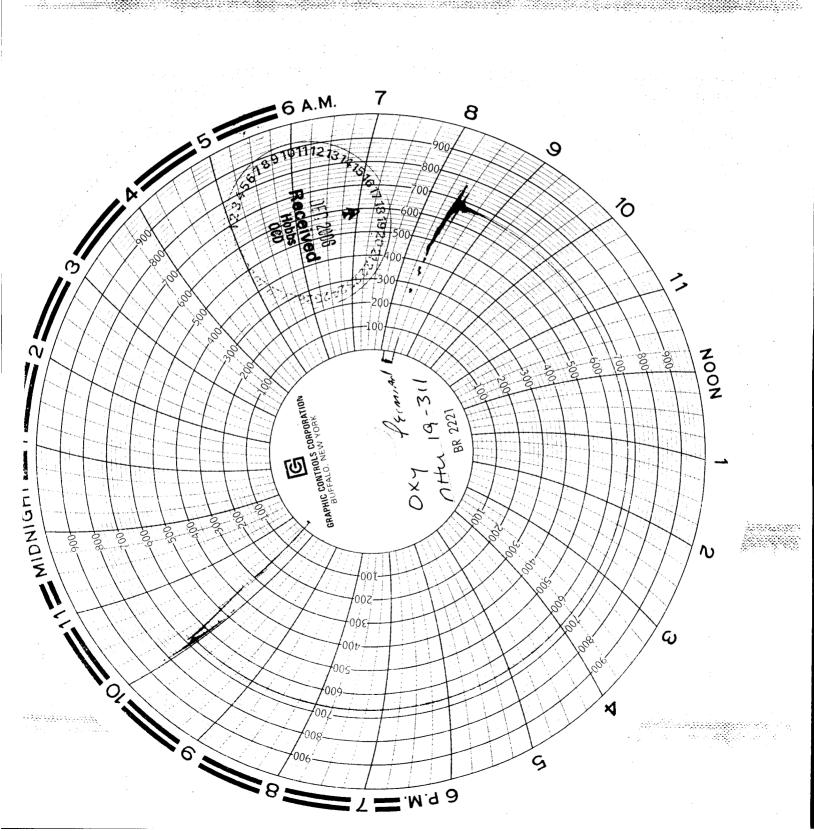
CONDITIONS OF APPROVAL IF MY:

NHU 19-311 12/15/2006

- 10. Drill out CIBP @4150'. Continue in the hole to TD @4280'. Circ hole clean.
- 11. RU wire line & perforate hole @4180-85', 4195-98', 4235-70'. RD wire line.
- 12. Set treating packer @4142'. Acidize perfs from 4180' to 4273' w/2500 gal of 15% acid. Flush w/50 bbl fresh water. Pull out of hole with treating packer.
- 13. RIH w/5 " G-6 packer w/1.875 F nipple on 122 jts of 2-7/8" Composite lined tubing. Packer set @4150.
- 14. Test casing to 670 PSI and chart for NMOCD.
- 15. RDPU. Clean location.

With completion of this work, produced gas injection will commence as granted under Division Order R-6199-B.

RUPU 11/17/2006 RDPU 12/08/2006



Oxy Benzin
North Kobbs.
Chit 19-311
Cel. 7-25-06
Seint # 32.19
Mite Trucking
Smiran Walus Mahrs
Suith Turking