

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, Santa Fe, NM
 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised May 08, 2003

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

WELL API NO.	30-025-35808
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. V 5099	
7. Lease Name or Unit Agreement Name Degas 6 State Com	
8. Well Number 1	
9. OGRID Number 148967	
10. Pool name or Wildcat Townsend Atoka	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4053' Gr	

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
 Saga Petroleum LLC

3. Address of Operator
 415 W. Wall, Suite 1900
 Midland, TX 79701

4. Well Location
 Unit Letter 8 G : 1980 feet from the N line and 800 feet from the E line
 Section 6 Township 16S Range 35E NMPM County LEA

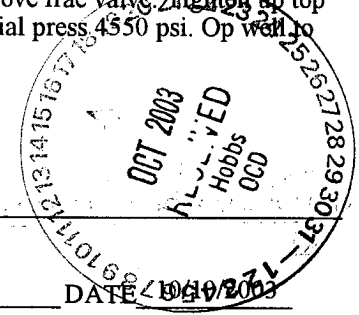
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input checked="" type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>
MULTIPLE COMPLETION <input type="checkbox"/>	OTHER: Treat <input checked="" type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Sept 18 thru 23, 2003 RU Pro Wireline, RIH w/2-1/2" gauge ring, POOH w/same, RIH w/2.313" blanking plug to 12,474'. Set plug in profile nipple. POOH w/WL. RU Pro Well Testers, blow dwn tbg. Blow dwn csg. ND tree, NU BOP, release pkr (pkr was set). Pull tbg packoff thru BOP, close BOP. Install tbg valve. Leave csg open to sales on full open choke
 FCP 175 psi, SITP 400 psi, blow csg & tbg dwn. POOH w/tbg, recover on/off retrieving head (no pkr rec). PU & RIH w/4-3/4" OS w/2.25" grapple, catch pkr. Move pkr up & dwn. Set pkr w/25K. Pull 10 K on pkr, release pkr. Check that pkr is fished. Begin pulling tbg, Rig breaks dwn. Leave tbg & csg to vent. Tbg & csg venting all night. Change blocks on PU, continue to POOH w/tbg. Pump 30 bbls 4% KCL to kill well (most wtr blown out, well was not killed). Recover OS w/pkr & tailpipe. Shut BOP blinds, Leave well to sales off csg. MIRU Guardian frac valve & Tree Saver. RU B-J Ser, frac well as directed & RD B-J Ser. Let press drop to 5075 psi, equalize wellhead. Frac valve leaking. Tighten up frac valve face, re-press, leak'g above frac valve. Tighten up top flange, sting out w/tree saver. RD same. NU flow back flange & iron. Op well & begin flow back. Initial press 4550 psi. Op well to flow @ 1.5 to 2 MM/day. Back rate dwn to <1.5MM. Flow well overnight.

Cont on back w/frac



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

SIGNATURE Bonnie Husband TITLE Production Analyst DATE 10/17/2003

Type or print name Bonnie Husband Telephone No: (432)684-4293
 (This space for State use) **DISTRICT SUPERVISOR/GENERAL MANAGER** OCT 17 2003

APPROVED BY Gary W. Wink TITLE _____ DATE _____
 Conditions of approval, if any _____

9-23-03

RU BJ & frac Atoka as follows:

Pmp'd 1000 gal. 7 ½ % NEFE, 5.6 BPM @ 344#

Pmp'd 250 gal FeG chemical

Pmp'd 71 bbls 70q binary foam pad, 14 BPM @ 6600#

Pmp'd 37 bbls binary foam pad w/ ¼# 20/40 Bauxite, 14.1 BPM @ 6623#

Pmp'd 19 bbls binary foam pad w/½ # 20/40 Bauxite, 14.1 BPM @ 7121#

Pmp'd 24 bbls binary foam pad w/ 1 # 20/40 Bauxite, 14 BPM @ 7192#

Pmp'd 29 bbls binary foam pad w/1½ # 20/40 Bauxite, 14.2 BPM @ 7257#

Pmp'd 35 bbls binary foam pad w/2 # 20/40 Bauxite, 14.2 BPM @ 7211# (¼# on form)

Pmp'd 37 bbls binary foam pad w/2½ # 20/40 Bauxite, 14.1 BPM @ 7113# (½# on form)

Pmp'd 27 bbls binary foam pad w/3 # 20/40 Bauxite, 14 BPM @ 7050# (1# on form)

Pmp'd 116 bbls binary foam pad flush, 14.8 BPM @ 7005#, finish @ 7820#

Pumped a total of 36250# of sand, TBLWTR 402.

Max Pressure 7820#, Avg 7100#, Avg Rate 14.1 BPM

ISIP 7060#, 5 min 6720#, 10 min 6560#, 15 min 6420#

DC: \$79,164 CC: \$ 104,031

9-24-03 Well flw'g @ est rate 550 MCF/GPD, full op ck, 38 psi. Inc to 50 psi up csg 14-15% CO2. RU Computalog, RU Lubricator, RIH w/4.66" gauge ring & CCL, get on depth. Tag up @ 12,600' (perfs 12,572'-92'). POOH w/gauge ring. PU & RIH w/5-1/2" Arrowset 1-X 10K full bore WL, set pkr w/carbide slips, on/off tool w/Otis 2.313 X-nipple, 1- 2-7/8" 6' sub, 2.313 Otis XN-nipple, 2-7/8" 4' sub w/2-7/8" pump out plug. Set pkr 12,460', POOH & RD Computalog. RU Phil's Testers, begin hydrotesting tbg to 8000 psi above slips. Test 40 stds in hole & SIFN. Leave csg venting to tank. Flw'd back 110 BL - 292 BLTR

9-25 Continue GIH testing tbg to 8000 psi. Found 2 collar leaks (1 @ 72 stds & 1 @ 150 stds). Latch on to pkr, get back off pkr. Spaced tbg out. ND BOP, PU tree. Get back on pkr. Flanged up WH (383 jts 2-7/8" N-80 tbg) RIH w/swab, IFL 10,800'. SDFN - 292 BLTR

9-26-03 MI&RU Guardian, install tree saver, RU Schlumberger, pump 190,000 SCF N2 to pump out plug. Run out of N2, wait on N2. Resume pumping N2, pump out plug. RD Schlumberger. Pull tree saver out & RD Guardian. Op well to frac tank w/3000 psi TP flw'g ARO 1.9 MMCF/GPD. Flow back overnight report to be fax'd in Fri AM (total N2 269,152 SCF) BLTR 249.

9-27-03 Flw'd to tank a ARO 1225 MCF. Produced 1147 mcf & 27 BLW. Hooked up to sales and put down sales line. - 222 BLTR

9-28-03 Produced 27 BO, 3 BW & 750 MCF in 15 hrs, 290# TP on 32/64" choke. BLTR 219.

9-29-03 Produced 27 BO, 7 BW & 1197 MCF in 24 hrs, 290# TP on 32/64" choke. BLTR 212.

9-30-03 Produced 33 BO, 2 BW & 1212 MCF in 24 hrs, 290# TP on 32/64" choke. Op ck to 64/64". BLTR 210.

10-1-03 Produced 47 BO, 8 BW & 1202 MCF in 24 hrs, 80# TP on 64/64" choke. BLTR 202.

10-4 Produced 28 BO, 2 BW & 1256 MCF in 24 hrs w/FTP 140 psi. BLTR 194.

10-5 Produced 26 BO, 4 BW & 1255 MCF in 24 hrs w/FTP 120 psi. BLTR 190

10-6 Produced 26 BO, 6 BW & 1255 MCF in 24 hrs w/FTP 120 psi. BLTR 184

10-7-03 Produced 28 BO, 4 BW & 1264 MCF in 24 hrs w/FTP 120 psi. BLTR 180 on 48/64" choke