

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

Form C-103  
Revised March 25, 1999

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

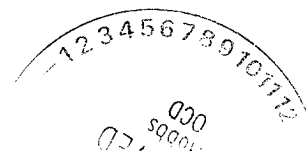
WELL API NO. 30-025-23621
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Hobbs State
8. Well No. 3
9. Pool name or Wildcat SWD San Andres

<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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Disposal	
2. Name of Operator H.R.C. Inc	
3. Address of Operator P.O. Box 5102 Hobbs, NM 88242	
4. Well Location Unit Letter <u>B</u> : <u>990'</u> feet from the <u>North</u> line and <u>1830'</u> feet from the <u>East</u> line Section <u>29</u> Township <u>18S</u> Range <u>38E</u> NMPM County <u>Lea</u>	
10. Elevation (Show whether DR, RKB, RT, <u>GR</u> etc.) 3652	

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" 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: <input 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 recompilation.

SEE ATTACHMENT



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

SIGNATURE Gary M. Schubert TITLE President DATE 11/16/03  
Type or print name Gary M. Schubert Telephone No. 393-3194  
(This space for State use)

APPROVED BY Chris Williams TITLE DISTRICT SUPERVISOR/GENERAL MANAGER DATE OCT 27 2003  
Conditions of approval, if any:

## HOBBS STATE # 3 SWD

P.O. BOX 1502

HOBBS, NEW MEXICO

(505) 393-3194

KING ROY

DATE 12-18-00

CHARGED TO

HOBBS STATE 3 SWD

12-18-00 REECO WELL SERVICE ON LOCATION STARTED DIGGING OUT CELLAR FOUND. 9 5/8 CASING EAT UP. ALSO 7" CASING IN BAD SHAPE. SHUT DOWN FOR NIGHT

12-19-00 RIGGED UP REECO WELL SERVICE PICKED UP 2 7/8 TUBING AND UNSET PACKER. TUBING PARTED 4' FROM SURFACE. CALLED OUT WELDER AND CUT OFF 9 5/8 CASING. ALSO PICKED UP ON 4 1/2 CASING PULLED OUT SLIPS AND SET ON BOTTOM. HAD WELDER CUT OFF TOP OF 7" CASING. SHUT DOWN FOR NIGHT.

12-20-00 WELDED REPLACED BAD 7" CASING AND BAD 4 1/2 CASING AT SURFACE. STARTED IN HOLE WITH OVERSHOT TO CATCH PARTED 2 7/8 TUBING. RAN 10 JOINTS AND DID NOT TAG FISH. BROUGHT IN 15 MORE JOINTS AND SHUT DOWN FOR NIGHT.

12-21-00 TRIPPED IN HOLE WITH 4 MORE JOINTS AND CAUGHT FISH. STARTED OUT OF HOLE WITH 86 JOINTS IN DERRICK. LAID DOWN 64 JOINTS RAN TUBING IN HOLE FROM DERRICK. LAID DOWN 155 JOINTS. LEFT IN HOLE PACKER. PICKED UP RETRIEVABLE BRIDGE PLUG AND 149 JOINT 2 3/8 PLASTIC COATED TUBING. SET PLUG AT 4881 LAID DOWN 1 JOINT AND TESTED PLUG. TESTED TO 500 POUNDS GOOD. PULLED OUT 20 JOINTS AND SET PACKER AND TESTED BAD HAD SMALL LEAK. MOVED UP IN HOLE TO 2747 SHUT DOWN FOR NIGHT.

12-22-00 INSTALLED BOP FOUND HOLE IN CASING AT 2950' TRIPPED OUT OF HOLE WITH PACKER AND PICKED UP CEMENT RETAINER. TRIPPED IN HOLE AND SET RETAINER AT 2900' RIGGED UP DOWELL TO PUMP CEMENT. STARTED PUMPING CEMENT AND HAD A PROBLEM WITH PRESSURE BLOWING US UP IN HOLE. PUMPED 12 BBLs. SLURRY. PULLED UP ONE JOINT AND CIRCULATED CEMENT OUT OF PIPE. SHUT DOWN FOR NIGHT.

12-26-00 COULD NOT START RIG (BAD WEATHER) SHUT DOWN.

12-28-00 STARTED IN HOLE WITH BIT AND 6 DRILL COLLARS AND 86 JOINTS TUBING TO TOP OF CEMENT. STARTED DRILLING AT 2888'. DRILLED TO 3034. SHUT DOWN FOR NIGHT

12-29-00 TRIPPED OUT OF HOLE TO LOOK AT BIT. BIT CHECKED OUT OK. TRIPPED BACK IN HOLE AND STARTED DRILLING. DRILLED UP PLUG AND FELL 90' STARTED DRILLING AGAIN DRILLED 3 HOURS WITH NO LUCK. TRIPPED OUT OF HOLE. MADE 3 RUNS WITH MAGNET ON SANDLINE AND GOT BACK SOME METAL. SHUT DOWN FOR NIGHT.

12-30-00 ALTERNATED MAGNET AND SANDLINE DRILL RUNS. TRIPPED IN HOLE WITH RETRIEVING HEAD. CIRCULATED HOLE GOT BACK SOME SAND AND SOME METAL. TRIPPED OUT OF HOLE WITH TUBING AND RETRIEVING HEAD. RAN MAGNET ON SANDLINE. SHUT DOWN FOR NIGHT

12-31-00 TRIPPED IN HOLE WITH IMPRESSION BLOCK. STARTED DRILLING WITH SANDLINE DRILL DRILLING ON CEMENT RETAINER. PULLED OUT OF HOLE. RAN MAGNET AND PULLED OUT SOME METAL. TRIPPED IN HOLE WITH TUBING AND RETRIEVING HEAD. COULD NOT CATCH RBP. SHUT DOWN FOR NIGHT.

1-2-01 STARTED REVERES UNIT AND CLEANED TOP OF RBP, LATCHED ONTO PLUG AND WENT DOWN 2 JOINTS. TRIPPED OUT OF HOLE AND RBP WAS NOT THERE. TRIPPED IN HOLE WITH MAGNET TO DRIVE PLUG DOWN BUT COULD NOT. PICKED UP RETRIEVING HEAD

NEXT

AND WENT IN AGAIN. CAUGHT RBP AND TRIPPED OUT OF HOLE. PLUG WAS THERE. LAID DOWN DRILL COLLARS. LAID DOWN 2 7/8 TUBING. PICKED UP 4 1/2 AD1 PACKER FROM HUDSON PACKERS AND STARTED IN HOLE. SHUT DOWN FOR NIGHT.

1-3-01 TRIPPED IN HOLE WITH A TOTAL OF 131 JOINTS 2 3/8 TUBING. (4136') DID MIT TEST FOR STATE AND PASSED. GARY WINK FROM NMOCD ON LOCATION TO WITNESS TEST. BAD PIPE BELOW 4150' RIGGED DOWN UNIT AND RELEASED ALL EQUIPMENT.