Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office May 27, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30-025-30879 OIL CONSERVATION DIVISION 1301 W Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 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 Julia Culp DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number No. 2 1. Type of Well: Oil Well Gas Well Other 9. OGRID Number 2. Name of Operator 8426 **GANDY CORPORATION** 10. Pool name or Wildcat 3. Address of Operator P.O. Box 2140. Lovington, NM. 88260 4. Well Location feet from the _ NORTH line and 660 Unit Letter H: 2310 feet from the **NMPM** County Township Range 11. Elevation (Show whether DR, RKB, RT, GR, etc.) Pit or Below-grade Tank Application or Closure Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Below-Grade Tank: Volume bbls; Construction Material Pit Liner Thickness: 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING PERFORM REMEDIAL WORK PI'UG AND ABANDON COMMENCE DRILLING OPNS. P AND A TEMPORARILY ABANDON **CHANGE PLANS** MULTIPLE COMPL CASING/CEMENT JOB PULL OR ALTER CASING OTHER: OTHER: 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. Open well rig up cement truck (Rising Star) Mix 360 barrels of salt gel for mud laden fluid Circulate hole with mud Plug as OCD recommendation (Gary Wink) All Plugs with class "C" Cement Plug #1 4,800-4,644 feet calculated Tag plug at 4,620 feet 30 sacks 1,800-1,700 feet calculated Plug # 2 30 sacks 465-350 feet calculated Plug # 3: 30 sacks Tag plug at 375 feet Plug # 4.. 10 sacks at sùrface Rig down cement equipment Nipple down BOP

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 , a general permit or an (attached) alternative OCD paper over the construction of the construction o

SIGNATURE Lay W. Wink

Nipple up wellhead Job Complete

OC HELD REPRESENTATIVE RISTAFF MANAGES, DATE