

Submit 3 Copies To Appropriate District
Office

District I

✓ 625 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 Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
May 27, 2004

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| 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) | | WELL API NO. 30-025-09808 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD | | 5. Indicate Type of Lease <i>Federal</i> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 2. Name of Operator SOUTHWEST ROYALTIES, INC. | | 6. State Oil & Gas Lease NM LC 032581B |
| 3. Address of Operator 6 DESTA DRIVE, STE 2100, MIDLAND, TEXAS 79705 | | 7. Lease Name or Unit Agreement Name SHOLES B-25 |
| 4. Well Location Unit Letter _____ B: 660 feet from the _____ N _____ line and 1980 feet from the _____ E _____ line Section 25 Township 25S Range 36E NMPM LEA County | | 8. Well Number 2 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3141 | | 9. OGRID Number 021355 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> | | |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ | | |
| Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ | | |

12. 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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☒ MIT

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.

FAILED MIT PRE TEST 6/15/07. WORKOVER ON PARTED TUBING. RE-TESTED 11/3/07.
SUCCESSFUL MIT TEST CHART ATTACHED.

SWD-513

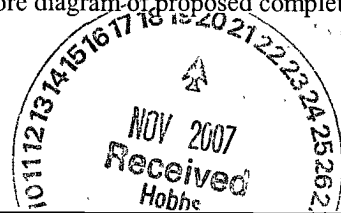
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further cefy that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

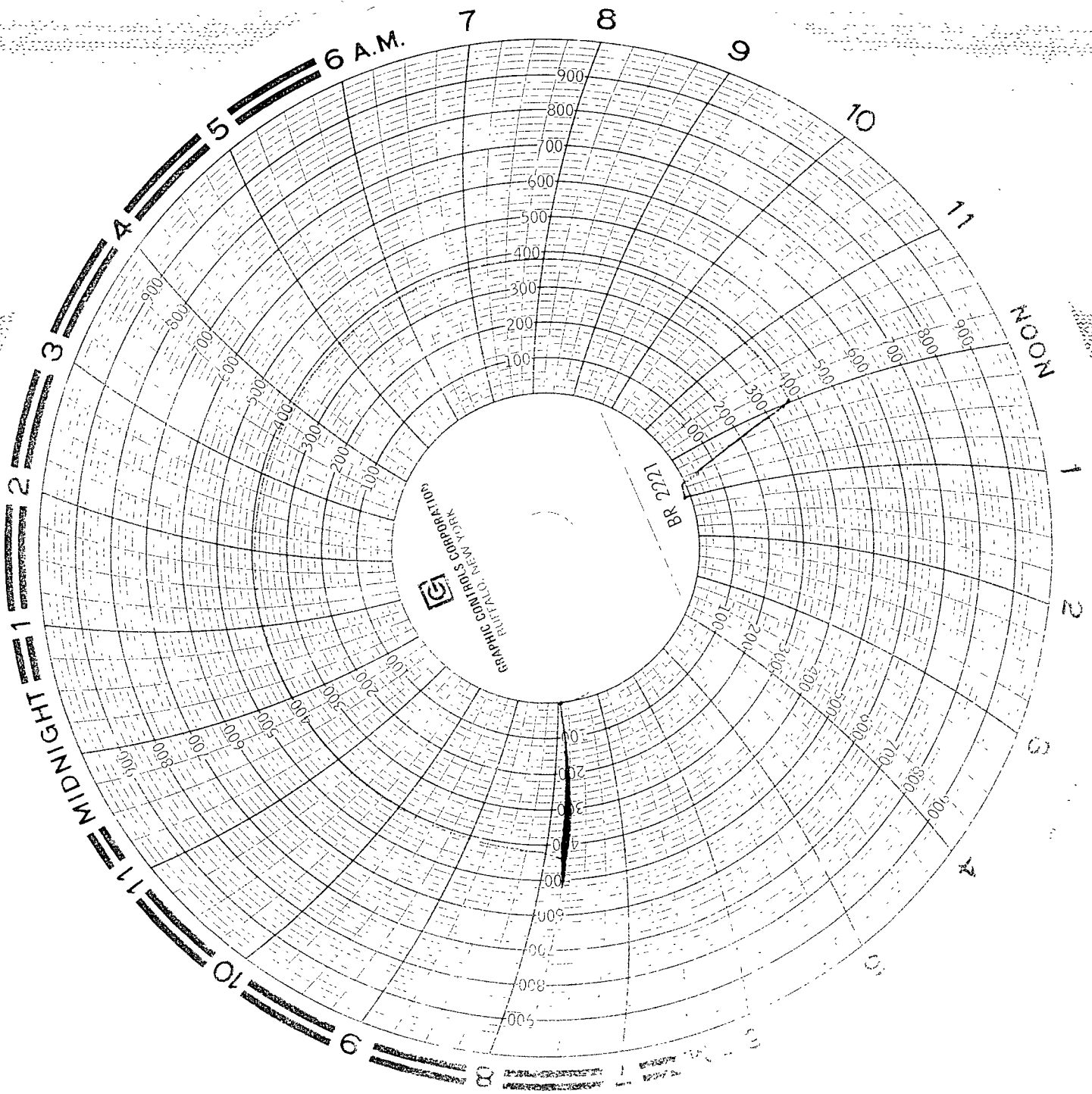
SIGNATURE *Dawn M. Howard* TITLE OPERATIONS ASST DATE 11/19/07

Type or print name DAWN M. HOWARD E-mail address: dhoward@claytonwilliams.com Telephone No. 432/688-3267

For State Use Only

APPROVED BY: *Chris Williams* TITLE **OCD DISTRICT SUPERVISOR/GENERAL MANAGER** DATE **DEC 27 2007**
Conditions of Approval (if any):





11/3/07

Key TRK # 8676

Calibrated 10/07

John [Signature]

60 min clock.

Southwest Royalties Inc

Sholes "B" 25 #2

Paul Bush

Tbg OH PKR @ 3014'

SUR. OH

Csg 420 #
380 #