

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 Dr, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

WELL API NO. 30-025-22747
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-9642
7. Lease Name or Unit Agreement Name Chem State
8. Well Number 3
9. OGRID Number 198688
10. Pool name or Wildcat Tulka (Wolfcamp)

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN A WELL IN A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-104) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
Cambrian Management, Ltd

3. Address of Operator  
PO Box 272, Midland, TX 79702

4. Well Location

Unit Letter F : 1986 feet from the North line and 1980 feet from the West line  
Section 4 Township 15S Range 32E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
4307' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

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: ☐

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.

Chem State #3

Location: Lot no. f, Section 4, T15S, R32E, 1986' FNL, 1980' FWL, Lea County, New Mexico

Operation: Clean out well and return to producing status

Procedure: Move in and pulling unit, fish tubing out of hole. Pick up production tubing and TAC and run in hole. Pick up pump and rods and run in hole, seat pump, hang well on beam. Pump test well.

We estimate beginning the proposed work on or before 04/28/08.

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-approved plan ☐.

SIGNATURE Denise Jones TITLE Regulatory Analyst DATE 04/17/08

Type or print name Denise Jones E-mail address: djones@cambrianmgmt.com Telephone No. 432-620-9181

For State Use Only

APPROVED BY: Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER TITLE \_\_\_\_\_ DATE APR 29 2008

Conditions of Approval (if any): -

Conditions of Approval:

OCD requires the Operator to complete a 24 hours production test and submit on form C-104 Request for Allowable before producing this well. Accompanied by Subsequent report on C-103 with dates and what was done, along with tubing size and depth

**Chem State Lease  
Plan of Action to Meet OCD Compliance  
Cambrian Management, Ltd**

April 16, 2008

Cambrian Management submits the following plan of action to meet compliance of OCD Rule 19.15.13.1115 NMAC on the Chem State Lease located in Lea County, New Mexico. This plan of action to be submitted to Mr. Daniel Sanchez as per discussion at the compliance conference conducted on April 9, 2008.

Chem State #7

Location: Lot no. p, Section 3, T15S, R32E, 660' FSL & 660' FEL, Lea County, New Mexico

Operation: Temporarily abandoned and perform MIT

Procedure: Move in and rig up wireline co. run gauge ring to a depth of 9800', Pull out of hole and pick up 5 1/2" CIBP and run in hole and set at 9800'. Rig down wireline co. Contact OCD office 24 hrs prior to running MIT. Rig up pump truck pressure 5 1/2" casing to 500 psi and maintain for 30 minutes, chart results.

Chem State #3

Location: Lot no. f, Section 4, T15S, R32E, 1986' FNL, 1980' FWL, Lea County, New Mexico

Operation: Clean out well and return to producing status

Procedure: Move in and pulling unit, fish tubing out of hole. Pick up production tubing and TAC and run in hole. Pick up pump and rods and run in hole, seat pump, hang well on beam. Pump test well.