

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

WELL API NO.
30-025-26710

5. Indicate Type of Lease
STATE ☒ ~~FEE~~ ☐

6. State Oil & Gas Lease No.
B-9680-1

7. Lease Name or Unit Agreement Name
Chem State

8. Well Number 7

9. OGRID Number
198688

10. Pool name or Wildcat
Julk (Wolfcamp) ✓

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 30) 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 P : 660 feet from the South line and 660 feet from the East line ✓
 Section 3 Township 15S Range 32E NMPM Lea County

11. Elevation (*Show whether DR, RKB, RT, GR, etc.*)
4303' RKB 4287' GR

Pit or Below-grade Tank Application ☐ or Closure ☐[illegible]

Pit Liner Thickness:	mil	Below-Grade Tank: Volume	bbls:	Construction Material
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12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK	<input type="checkbox"/>	PLUG AND ABANDON	<input type="checkbox"/>
TEMPORARILY ABANDON	<input checked="" type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	MULTIPLE COMPL	<input type="checkbox"/>

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 #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 ½" 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 ½" casing to 500 psi and maintain for 30 minutes, chart results.

We estimate beginning the proposed work on or before April 28th, 2008.

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 NMOC 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):

**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.

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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.