

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

<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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-025-24866 ✓
2. Name of Operator Hanson Operating Company, Inc. ✓		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator P. O. Box 1515, Roswell, NM 88202-1515		6. State Oil & Gas Lease No. B-1167
4. Well Location Unit Letter <u>O</u> : <u>660</u> feet from the <u>South</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>36</u> Township <u>21 South</u> Range <u>36 East</u> NMPM Lea County		7. Lease Name or Unit Agreement Name Shell State ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3493.2' GR		8. Well Number #1 ✓
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		9. OGRID Number 009974 ✓
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		10. Pool name or Wildcat San Andres SW
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: San Andres Recompletion ☒

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.

01/07/2008: MIRU pulling unit. Pull out of hole with rods and pump. Install BOP. Pull out of hole with tubing.  
01/08/2008: Isolate casing hole between 4242' and 4304'. Set CIBP at 4304' and cement retainer at 4242'.  
01/09/2008: Squeeze with 200 sacks Class "C" cement.  
01/10/2008: Run Cement Bond Log. Top of cement at 3880' with poor cement bond. Shot 6 squeeze holes at 4170'.  
01/11/2008: Pressure to 2000#. Unable to squeeze.  
01/14/2008: Run Cement Bond Log. Poor cement bond. Perforate 40 holes at 4080' - 4130'. Acidize with 5,000 gallons 20% acid. Run in hole with tubing pump.  
01/15/2008: ND BOP. Run in hole with rods. NU wellhead. Hang on and space out. Start pumping unit. Release rig. RDMO. Place on production.

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 Carol J. Smith TITLE Production Analyst DATE 3/07/2008  
Type or print name Carol J. Smith E-mail address: hanson@dfn.com Telephone No. 505-622-7330  
For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAY 14 2008  
Conditions of Approval (if any): 2A Paddock