

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
June 19, 2008

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

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. <u>30 025-31491</u>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <u>SWD</u>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> <u>Fed</u>
2. Name of Operator <u>Penroc oil Corporation</u>		6. State Oil & Gas Lease No.
3. Address of Operator <u>P.O. Box 2769, Hobbs, NM 88241</u>		7. Lease Name or Unit Agreement Name <u>Sapphire Federal</u>
4. Well Location Unit Letter <u>J</u> : <u>1750</u> feet from the <u>East</u> line and <u>1600</u> feet from the <u>South</u> line Section <u>23</u> Township <u>19S</u> Range <u>33E</u> NMPM <u>Lea</u> County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number <u>17213</u>
		10. Pool name or Wildcat <u>Queen</u>

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATIONS ☐ PLUG AND ABANDON ☐
CASING/CEMENT JOB ☐

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.

9/25/08 - 9/29/08 RU Well Service. NU BOP. Set steel pit. Release and pulled Guibena G-6 plkr. 2 7/8" PG tag good. SD.

9/26 TTH w/ Weatherford. Set RBP @ 4280'. Tested good. Attempted to locate any holes in csg. apparently plkr malfunction.

9/29/09 TTH w/ new plkr. Possible v. small leak between 565-598'. 30" press drop in 5 min. Discussed same w/ Buddy Hill. TTH w/ new injection plkr. circ. plkr flowed. Set plkr @ 4250'. Press up back side to 400" 30 min. Test within by NMOCB-Buddy H. @ 730 pm. O.K.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE M. Y. Merchant TITLE President DATE 9/30/08

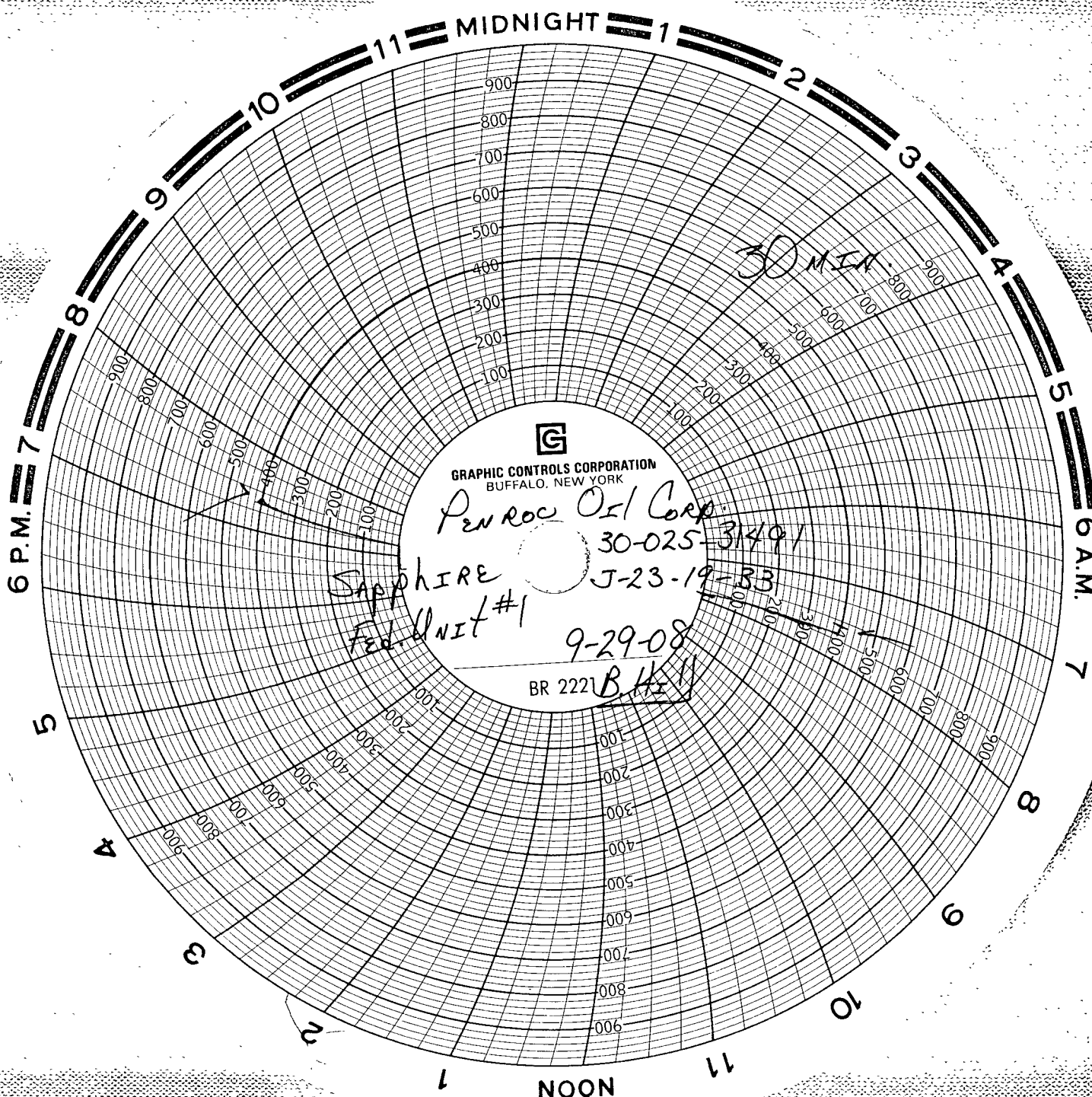
Type or print name M. Y. Merchant E-mail address: mymerch@penrock.com PHONE: (575) 492-1236

For State Use Only

OC FIELD REPRESENTATIVE / STAFF MANAGER

APPROVED BY: [Signature] TITLE [Signature] DATE OCT 01 2008

Conditions of Approval (if any):



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

PENROC OIL CORP.

30-025-31491

J-23-19-83

SAPPHIRE
Fed Unit #1

9-29-08

BR 2221 B.H.