

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 87401
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

RECEIVED
SEP 29 2008
HOBBS OIL

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-33678 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
6. State Oil & Gas Lease No. 2261
7. Lease Name or Unit Agreement Name North Feather State Unit ✓
8. Well Number 2
9. OGRID Number 213179 ✓
10. Pool name or Wildcat N. Feather Morrow Gas ✓

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.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator H.L. Brown Operating, L.L.C. ✓
3. Address of Operator P.O. Box 2237 Midland, TX 79702
4. Well Location Unit Letter I : 1340 feet from the South line and 990 feet from the East line Section 9 Township 15-S Range 32-E NMPM County Lea
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4301 Grd.

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 ☐

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.

Current producing interval continues to "scale up" from small water production. We propose to re-perf and add perfs in Morrow that were bypassed on original completion in attempt to restore Morrow production.

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 Carlton Wheeler TITLE Operations Manager DATE 9-26-08

Type or print name CARLTON WHEELER E-mail address: ccw@hlboperating.com PHONE: (432) 683-5216
For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 01 2008
Conditions of Approval (if any):