

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

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-02448

5. Indicate Type of Lease

STATE ☒ FEE ☐ Fed ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

D & E Federal

8. Well Number #1

9. OGRID Number

262294

10. Pool name or Wildcat

SWD-7 Pwrs

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 ☐ Gas Well ☐ Other SWD

2. Name of Operator

Chestnut Petroleum, Inc.

3. Address of Operator

2201 N. Central Expressway. Suite 240. Richardson, Tx. 75080

4. Well Location

Unit Letter N : 660 feet from the South line and 1980 feet from the West line

Section 22 Township 20S Range 34E NMPM County: Lea

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

3675' GR

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.

10-7-08 MIRU Tyler well service. Lay down top joint. (Top joint had heavy pitting and metal loss around slip area) POOH with tbg & PKR. Sent PKR in to be re-dressed.

10-8-08 PU 5 1/2" AD-1 pkr & RIH with 106 jts 2 3/8" IPC tbg. Replaced top joint. Set PKR @ 3315'. RU Crain Hot Oil Service pump truck and loaded annulus with 12 bbls 2% Kcl. Tested annulus to 320#. Good test. RU pump on tbg and established injection rate of 1 bpm @ 800#. Had no communication with annulus. Released PKR and displaced annulus with 100 bbls 2% Kcl + Pkr fluid. Set Pkr with 21 pts tension. ND BOP & NU well head. Conducted MIT with 340# for 30 minutes. Test witnessed by Sylvia Dickey with the NMOCD. RDMO PU.

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

TITLE

DATE 10-10-08

Type or print name

MARK A. PLUMOTER

E-mail address:

MARK@CHESTNUTPETRO.COM

PHONE: 972-715-0808

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

OC FIELD REPRESENTATIVE / STAFF MANAGER

OCT 17 2008

