

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

WELL API NO. 30-005-20039 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
6. State Oil & Gas Lease No. 2807559
7. Lease Name or Unit Agreement Name Cato San Andres Unit ✓
8. Well Number 102 ✓
9. OGRID Number 248802 ✓
10. Pool name or Wildcat Cato, San Andres ✓

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 ☒

2. Name of Operator
Cano Petro of New Mexico, Inc. ✓

3. Address of Operator
801 Cherry Street Unit 25 Suite 3200
Fort Worth Texas 76102

4. Well Location
Unit Letter L : 1980 feet from the South line and 660 feet from the West line ✓
Section 16 Township 8-S Range 30-E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.) **GR 4114**

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

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 <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Start selling casinghead gas <input checked="" type="checkbox"/>
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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.

10/19/08: Hooked up well into gas system. Started selling gas.

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 Collin Strawn TITLE Petroleum Engineer DATE 10/19/08

Type or print name Collin Strawn E-mail address: collin@canopetro.com Telephone No. 817-698-0900

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE NOV 26 2008
Conditions of Approval (if any):