

Submit 3 Copies To Appropriate District Office

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

June 19, 2008

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

87505

RECEIVED

OIL CONSERVATION DIVISION

MAR 03 2009 220 South St. Francis Dr.

HOBBSDOCD

Santa Fe, NM 87505

WELL API NO.

30-005-20124

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Cato San Andres Unit

8. Well Number 80

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 St. Unit 25 Suite 3200, Fort Worth, TX 76102

4. Well Location

Unit Letter B : 660 feet from the North line and 1980 feet from the East line
 Section 14 Township 08S Range 30E NMPM County: Chaves

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

4145' 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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 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.

Proposed P&A procedure: (see attached wellbore schematic)

Proposed start date: 3/3/2009

MIRU pulling unit

RIH w/ tubing. Pump cement plug from 2650-2550'

Pull up and pump cement plug below bottom of salt from 1670-1720'. WOC and tag

Pull up and pump cement plug above top of salt from 1200-1250'. WOC and tag PERF @ 1250'

Pull up and pump cement plug below surface casing shoe from 260-310'. WOC and tag

Pull up and pump cement plug above surface casing shoe from 200-250'. WOC and tag

RDMO IF well will circ from 690' to surface, CMT inside & out - 690' to surface,
 IF unable to est. rate, move up perf @ 300' - sqz 25sx or fill inside & out
 300' to surface

Alternate P&A procedure: (see attachment wellbore schematic)

Pump 200 sx cement down 4-1/2" production casing. WOC. Tag cement. Pump a second cement plug on top of the first, all the way to surface.

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 Collin Strawn TITLE Petroleum Engineer DATE 3/3/2009

Type or print name Collin Strawn E-mail address: collin@canopetro.com PHONE: (817) 698-0900

For State Use Only

APPROVED BY: Madey S Brown TITLE Compliance Officer DATE 3/3/2009

Conditions of Approval (if any)



