

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

RECEIVED

MAR 04 2009

HOBBSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. /
30-041-20649

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.
257420

7. Lease Name or Unit Agreement Name
MILNESAND UNIT

8. Well Number
MSU # 524

9. OGRID Number
257420

10. Pool name or Wildcat
MILNESAND (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
EOR OPERATING COMPANY

3. Address of Operator
ONE RIVERWAY, SUITE 610, HOUSTON, TX 77056

4. Well Location

Unit Letter H : 1360 feet from the NORTH line and 90 feet from the EAST line

Section 13 Township 8S Range 34E NMPM County ROOSEVELT

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4238.6' GL

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 ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

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.

START DATE: 2/20/09

PUMP FAILURE.

1.) RU PULLING UNIT.

2.) TOH W/ TBG PUMP.

3.) TIH W/ EXISTING 2 3/8" J-55 TBG. TBG PUMP, EXISTING SUCKER RODS, POLISH ROD & LINER, PUMPING "T" & STUFFING BOX.

4.) NIPPLE UP WELL HEAD. HANG WELL ON.

5.) RD, MOVE OFF PULLING.

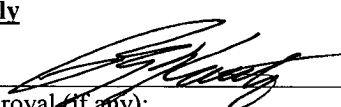
(5 1/2", 14# CSG @ 4750', PERFS @ 4532'-4626')

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  TITLE Sr. Well Operations Supervisor DATE 2/19/08

Type or print name: Lawrence A. Spittler, Jr. E-mail address: lspittler@enhancedoilres.com Telephone No.: 432-687-0303

For State Use Only

APPROVED BY:  TITLE PETROLEUM ENGINEER DATE MAR 10 2009

Conditions of Approval (if any):