

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO. 30-025-36373
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM VA - 1873
7. Lease Name or Unit Agreement Name: State DZ
8. Well No. 2
9. Pool name or Wildcat Trinity; Wolfcamp

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
Limark Corporation

3. Address of Operator
P.O. Box 10708, Midland, Texas 79702-7708

4. Well Location
Unit Letter **M** : **990** feet from the **South** line and **1200** feet from the **West** line
Section **23** Township **12S** Range **38E** NMPM **Lea** County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
3793' GR

11. 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 COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☒ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☒
OTHER: ☐

12. 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.

08/27/2003 Moved in and rigged up Patterson Rig #478. Picked up 17 1/2" bit and spudded well at 9:00 PM 08/26/03. Drilled to 433'. Circulated 1/4 hour and tripped out of hole.
08/28/2003 NU BOP. Picked up and ran 10 jts. (435.39') 13 3/8" 48# H-40 STC casing with Texas pattern shoe and 4 centralizers. Bottom of casing shoe at 415.89' from ground level. Rigged up Halliburton and cemented with 210 sx Premium Plus with 4% Bentonite, 2% CaCl, 1/4#/sk Flocele (13.6 ppg) and 150 sx Premium Plus with 2% CaCl (14.8 ppg). Pumped at 5.5 BPM & 150 psi. Bumped plug and shut in at 9:00 am 08/27/03. Circulated 95 sx to surface. Cut off casing and welded on head. Nipped up BOP and waited on cement.
08/29/2003 Tested blind rams and choke to 500# (OK). Trip in hole and found top of cement at 356'. Tested annular rams to 500# (OK). Began drilling cement 10:00 am (Bit #2 - 12 1/4" HTC mill tooth).
08/30-09/03/2003 Drilled to 12 1/4" hole 2830'. Tripped for bit. (Tight spot at 1830' - reamed out). (Bit #3 - 12 1/4" Smith insert bit). Washed to bottom and set bit pattern. Drilled to 4027'. Tripped for bit. Washed and reamed to bottom (26' fill). Drilled to 4083'.
09/04-06/2003 Bearing failed in bit and tripped for bit. (Bit #5 - 12 1/4" STC insert bit).

- continued on attached sheet -

NSL-4038

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE President DATE 10/08/2003

Type or print name Mark A. Philpy

Telephone No. 432/684-5765

(This space for State use)

APPROVED BY  TITLE PETROLEUM ENGINEER DATE DEC 17 2003

Conditions of approval, if any:

Limark Corporation
State DZ #2
Form C-103

09/07-15/2003 Drilled to 4509'. TOH laid down drill collars. Picked up and ran 104 joints 9 5/8" 36# and 40# J-55 casing. (80 jts - 36# ST&C (3484'), 24 jts - 40# LT&C (1044')). Casing shoe at 4509'. Rigged up Halliburton and cemented with 850 sx Interfill C with 1/4# per sack Flocele and 250 sx Premium Plus with 2% CaCl. Bumped plug at 8:17 pm 09/06/2003. Float held but no cement returns. Estimated cement top 100' from surface. ND BOP. Set slips and cut off last joint. Welded on wellhead and began nipping up wellhead. Finished nipping up BOP. Tested blind rams and manifold. Picked up bit #6 (Smith 8 3/4" insert) and 12 drill collars. TIH. Tagged cement at 4480'. Drilled to 7613'.

09/16-22/2003 Changed bit (Bit #7 8 3/4" Smith insert). TIH. Washed 16' to bottom. Back to drilling at 1:00 am 09/16/03. Drilled to 9067'.

09/23/2003 Lost circulation (approx 300 bbls). Pulled 14 stands. Mixed mud and pumped LCM pill. Regained circulation. TIH and drilled to 9225'.

09/24/2003 Circulated 1 hour. Made 10 stand short trip. Circulated 3 hours. TOH. Rigged up Reeves Wireline. (Logger's TD 9218').

09/25/2003 Finished logging. TIH and washed to bottom (10' fill) Circulated. TOH and laid down drill pipe and collars. Rigged up casing crew and began running 5 1/2" casing.

09/26/2003 Finished running 5 1/2" casing. Casing detail as follows:
1335.44' - 31 jts. 5 1/2" 17# N-80 ST&C (on top of hole)
7164.34' - 167 jts. 5 1/2" 17# J-55 ST&C
730.32' - 18 jts. 5 1/2" 17# N-80 ST&C (on bottom of hole)
9230.00' - Total

Float shoe on bottom. 10 centralizers on collar #2, 4, 22, 30, 40, 70, 186, 200, 210, & 216. Short joints #5 (21.76') and #10 (21.43'). Rigged up Halliburton and cemented with 100 bbls mud with 100 scf/bbl nitrogen, 500 gals super flush 102 - (Lead cement) 550 sx Interfill H with 5#/sx Gilsonite - (Tail cement) 250 sx Premium cement. Displaced with 214 bbls fresh water. Plug down at 11:15 am 09/25/2003. No cement to surface. Float held. Rig released.

