

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

Minerals and Natural Resources

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-37121

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

E-881-2

7. Lease Name or Unit Agreement Name

Wally State

8. Well Number #1

9. OGRID Number

231429

10. Pool name or Wildcat

Maljamar Grayburg - 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

Manzano, LLC

3. Address of Operator

P.O. Box 2107, Roswell, NM 88202-2107

4. Well Location

Unit Letter D : 750 feet from the North line and 380 feet from the West line
Section 5 Township 17S Range 33E NMPM County Lea

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

4218' GL

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: Plug back & re-complete ☒

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.

4/25/09 POOH w/rods and pump. Unflanged wellhead and POOH w/2 3/8" tubing string.

4/27/09 RU and RIH w/CIBP and set at 4590' to abandon existing San Andres perms from 4607' - 4950'. RIH w/dump bailer and spot 35' Class H cement on top of CIBP. RIH w/4" perf guns and perf Lovington Sand w/4SPF @ 4481' - 4487' (28 holes)

4/28/09 RU frac valve and isolation tool. RU frac truck and frac Lovington Sand perms 4481' - 4487' w/16040 lbs 20/40 brown sand and 6060 lbs. 20/40 Super LC. Flushed with 107 bbls

4/29/09 1400# SICP, installed variable choke on backside valve & opened on 20/64" choke. FTP down to 80# in 30" & increased to 24/64" choke. Over next 10 hours recovered 160BW of load, left flowing to stock tanks on 24/64" choke.

4/30/09 ND frac valve. NU BOP. LD 14 jts tubing. TIH with production assembly consisting of mud joint, 2 3/8"x4' perf sub, SN, 3 jts 2 3/8" tubing, tubing anchor, and 139 joints 2 3/8" tubing. ND BOP, make up flowline and pumping tee. TIH w/ 2"x1 1/2" x 20' RHBC -HVR pump, 111 3/4" rods, 67 7/8" rods, 1 7/8"x6' pony rod and 1 1/4" polished rod. Hung on beam, well pumped up immediately. SD, RDMO, left well pumping

Spud Date:

3/22/05

Rig Release Date:

4/3/05

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

SIGNATURE

TITLE Engineer

DATE 5/5/09

Type or print name Kyle Alpers

E-mail address: ksalpers@qwestoffice.net

PHONE: 575-623-1996

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

MAY 11 2009

Conditions of Approval (if any):