

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

MAY 20 2009

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

PAGE 1 OF 1

WELL API NO. /

3000501161

5. Indicate Type of Lease

STATE ☒ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
SOUTH CAPROCK QUEEN UNIT

8. Well Number

015

9. OGRID Number /

12627

10. Pool name or Wildcat

08559 CAPROCK QUEEN

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 Injection

2. Name of Operator

KEVIN O BUTLER & ASSOCIATES, INC.

3. Address of Operator

PO BOX 1171, MIDLAND, TEXAS 79702

4. Well Location

Unit Letter O 330 feet from the SOUTH line and 1980 feet from the EAST line

Section 28 Township 14S Range 31E NMPM CHAVES County

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

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: WORKOVER

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.

Move in rig up well service unit. POOH with tubing and packer. Pick up work string and tally in hole to tag bottom. Pump sand to cover perforations and 50' above. POOH with work string and stand in derrick. Pick up 4 1/2" float shoe, one joint 4 1/2" casing, one float collar, and 4 1/2" casing with 4.875" OD collars. RIH with 4 1/2" casing to within 75' of the top of the perforations. Change over well head to accept 4 1/2" casing. Install 4 1/2" bell nipple. Rig up cement truck and cement liner to the surface. Wait on cement to cure at least 24 hours. Pick up bit, drill collars and RIH with work string. Drill out float collar, cement and float shoe. Clean out to bottom removing sand. RIH with packer and test to 500#. Lay down work string. Return well to injection with packer and tubing.

Approximate start date 5/27/2009.

RUN MIT BEFORE
RETURNING WELL TO INJ.

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 Kevin O Butler TITLE President/Owner DATE 5/19/09

Type or print name KEVIN O BUTLER E-mail address: robie@geedmidland.com PHONE: 432-682-1178

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAY 28 2009

Conditions of Approval (if any):