

Office

Energy, Minerals and Natural Resources

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

JUL 17 2009

HOBBSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO

30-025-32394 ✓

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Balado Brine Well

8. Well Number

2 ✓

9. OGRID Number

10. Pool Name or Wildcat

Balado BSW

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 Brine2. Name of Operator Basic Energy Services

3. Address of Operator

P.O. Box 10460 Midland, Tx 79702

4. Well Location

Unit Letter A : 1305 feet from the North line and 60 feet from the East line
Section 20 Township 25S Range 37E NMPM County Lea

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

3073

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:

Corrosion Survey

SUBSEQUENT REPORT OF:

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

OTHER:

PER. STEVE PRATHER

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.

Rig up P/U. POH with tubing. Ran bit & UG Roger to bottom of casing. POH. Ran Gray Wireline Density & Collars Survey Log. Found end of casing at 1100'. Ran packer and workover string to 1080' tested casing & ran chart witnessed by OCD. POH. Ran 1" bit on 4 1/2" workover pipe to 1050' TD. Cut off bit and started surveying out of hole. Ran 1020' 2 3/8" production string Rigging Done

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

Steve Prather

TITLE

District Manager

DATE

7/16/09

Type or print name

Steve Prather

E-mail address:

PHONE:

394-3235

For State Use Only

APPROVED BY:

Larry W. Hill

TITLE

DISTRICT 1 SUPERVISOR

DATE

JUL 17 2009

Conditions of Approval (if any):

