

June 19, 2008

Office
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

AUG 10 2009

HOBBSD

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 3000500674 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-8665
7. Lease Name or Unit Agreement Name SOUTH CAPROCK QUEEN UNIT ✓
8. Well Number 003 ✓
9. OGRID Number 12627 ✓
10. Pool name or Wildcat 8559 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 ☐2. Name of Operator
Kevin O. Butler and Associates, Inc.3. Address of Operator
P. O. Box 1171; Midland, TX 797024. Well Location
Unit Letter C 330 feet from the NORTH line and 1633 feet from the EAST line Section 31 Township 15S 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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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.

9 5/8 SURFACE CSG SET @245'. CMT CIRC 5 1/2" PROD CSG SET @3059' TOC?
PERFS 2991' - 2998' TOS 1200' BOS 2078'.

- MIRU TO P/A WELL.
- COULD NOT GET PKR BELOW 1800' WHILE CHECKING CASING INTERGRITY REQUEST FOREGO CIBP AND REPLACE WITH 25 SACKS OF CEMENT ACROSS PERFS
- CIRC HOLE W/MFL (9.5 PPG BRINE 7W/125.5 LLBS PER BBL OF SALT GEL.
- PERF AT 2100', SQZ 25 SXS CMT. WOC AND TAG (BOS PLUG).
- PERF AT 1150', SQZ 25 SXS CMT. WOC AND TAG (TOS PLUG).
- PERF AT 295', (50' BELOW SURFACE SHOE). SQZ 25 SXS CMT AND WOC AND TAG AT 195' OR SQZ SUFFICIENT CMT INSIDE AND OUTSIDE TO CIRC TO SURFACE. (SHOE AND SURFACE).
- CUT OFF WELLHEAD AND ANCHORS, INSTALL DRY HOLE MARKER.
- CLEAN LOCATION.

The Oil Conservation Division **Must be notified**
24 hours prior to the beginning of plugging operations

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

TITLE President/Owner

DATE 07/28/2009

Type or print name Kevin O. Butler E-mail address: Lisa@geedmidland.com PHONE: 432-682-1178 For State Use Only

APPROVED BY:

TITLE

Compliance Officer

DATE

7/29/2009

Conditions of Approval (if any):

(Verbal & fax COPY) 7/29/2009

HARD COPY

REC. 8/10/2009

30-005-00674

KEVIN O BUTLER & ASSOCIATES

SOUTH CAPROCK QUEEN UNIT #003

C-31-15-31

PRESENT

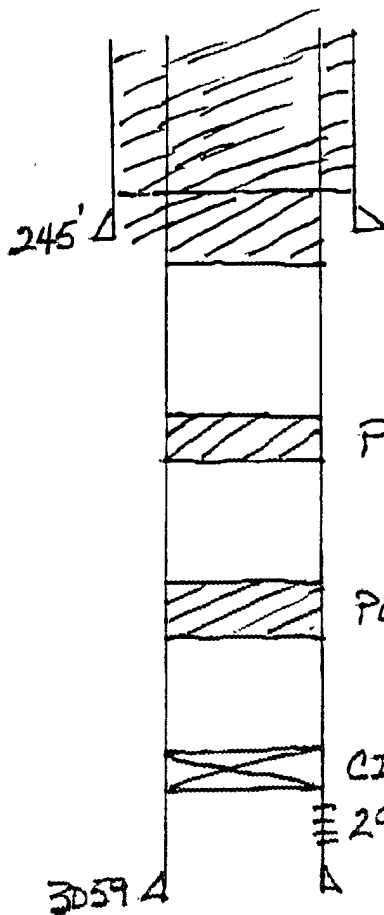
15/8
SET @
245'
CMT CIRC

TDC?

5 1/2"
CSG
SET @
3059

PERFS
2991-2998

PROPOSED



IF WELL WILL NOT
CIRC. PERF @ 60'
AND SQZ CMT TO
SURFACE.

PERF @ 295' ± SQZ 25 SXS
TAG @ 195' OR CIRC TO
SURFACE INSIDE?
OUTSIDE 5 1/2 CS

PERF @ 1150' ± SQZ 25 SXS
CMT
(TDS)

PERF @ 2100' ± SQZ 25 SXS
CMT
(BDS)

CIBP SET @ 2900' ± CAP W/35'
OR SPOT 25
SXS CMT

2991-2998

3059