

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

APR 27 2009

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL APV NO. 30-05-27971	
5 Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No	
7 Lease Name or Unit Agreement Name CATO SAN ANDRES UNIT	
8 Well Number 504	
9 OGRID Number 248802	
10 Pool name or Wildcat CATO; 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  
CANO PETRO OF NEW MEXICO, INC.

3 Address of Operator  
801 CHERRY STR, UNIT 25 SUITE 3200 FT WORTH TX 76102

4 Well Location  
Unit Letter M 20 feet from the S line and 20 feet from the W line  
Section 2 Township 08S Range 30E NMPM 27 County CHAVES

11 Elevation (Show whether DR, RKB, RT, GR, etc.)  
4108

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: ☐

OTHER: Perforate, acidize, run tubing rods and pump ☒

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

1/29/2008: Spud well w/ 12-1/4" bit and drilled to 527'. Ran 12 jts 8-5/8" 24# J-55 csg to 527 and cemented w/ 350 sx class C. WOC 8 hours.

1/30-2/2/2008: Install BOP and drilled 7-7/8" hole from 527' to TD (3860'). Ran open hole logs on 2/2/2008.

2/3/2008: Ran 5-1/2" 17# J-55 csg from surface to TD and cemented w/ 800 sx 65/35 Pozmix. WOC 24 hours.

2/5/2008: Ran cased hole gamma ray/ cement bond log.

2/7/2008: Perforated at 2 spf: P1 3344-3368'; P2 3410-3430'; P3 3490-3504'; P5 3712-3762'

2/13/2008: RIH w/ tubing and swabbed 21 BF (15% oil)

2/14/2008: Acid frac'd all open zones w/ total 15,000 gal 15% HCl @ 30 BPM

2/15/2008: RIH w/ 3800' 2-7/8" tubing, rods and 2.5" x 2.0" x 16' pump. Spaced out and hung on.

Spud Date

1/29/2008

Rig Release Date

2/3/2008

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

SIGNATURE Collin Strawn TITLE Engineer DATE 4-14-09

Type or print name Collin Strawn E-mail address \_\_\_\_\_ PHONE: 817-698-0900

**For State Use Only**

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE SEP 09 2009

Conditions of Approval (if any): \_\_\_\_\_