

RECEIVED

APR 27 2009

HOBBSDO

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO 30-05-27984
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 545
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 1205 feet from the S line and 1312 feet from the W line

Section 11 Township 08S Range 30E NMPM 27 County CHAVES

11 Elevation (Show whether DR, RKB, RT, GR, etc.)
4139 (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 ☐

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.

Work Over:

1-8-08 Rig up Drill 12 1/4" hole to 506' set 506' 8 5/8 & cement 375 sx class C

1-9-08 WOC 8hrs. Install & Test BOP & T.I.H. & begin drilling 7 7/8" hole

1-14-08 TD 3990' TOOH Log Well

1-15-08 Run 102 jts 5.5" csg. set @ 3989' cement 700 sx cement.

Completion:

1-21-08 Log and Perf.

1-22-08 Acidize 12,000 gal 15% Install 3700'

8-29-08 Perfs. 3440-3494, 3520-3550, 3596-3628

8-30-08 Acidize with 10,000 gal 28% acid

9-1-08 Put well on Pump

Spud Date.

1-8-08

Rig Release Date

1-15-08

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):