

Submit 1 Copy To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88241
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

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

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)		WELL API NO. 30-005-01210 ✓
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD ✓		7. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Penroc Oil Corporation		7. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 2769 Hobbs, New Mexico 88241-2769		7. Lease Name or Unit Agreement Name Gulf Deep ✓
4. Well Location Unit Letter C : 660 feet from the North line and 1980 feet from the West line Section 34 Township 14S Range 31E NMPM Chaves County ✓		8. Well Number 001 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 17213 ✓
		10. Pool name or Wildcat SWD; San Andres ✓

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Per NMOCD SWD-1158-0

Set and test anchors

Move in Joes Well Service 10/1/2009

Dig out cellar and remove PA marker x Weld on 9 5/8" x 3000 psi well head equipped with 2-2" outlets and valves
Nipple up BOP

Drill cement plugs

Surface x 405ft x 2350ft x tag plug at 3743ft x pressure test casing to 500psi x OK

Drill out cement plugs to total depth of 4700ft

Circulate clean x Lay down DC x ND BOP x Hang 2 7/8" tubing in well at 3700ft

Shut in pending acquisition of downhole disposal equipment x New Mexico State Land Office SWD easement

Will notify NMOCD of pending MIT

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 *[Signature]* TITLE President DATE October 20, 2009

Type or print name M.Y.(Merch)Merchant E-mail address: MYMerch@penrocoil.com PHONE: 575-492-1236

For State Use Only

APPROVED BY: *[Signature]* TITLE PETROLEUM ENGINEER DATE OCT 26 2009
Conditions of Approval (if any):