

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

June 19, 2008

RECEIVED DEC 21 2009 HOBBSON CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505		WELL API NO. 30-005-21167 ✓
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 355 ✓
9 OGRID Number 248802 ✓		10. Pool name or Wildcat Cato; San Andres Unit ✓
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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> 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 E : 1330 feet from the N line and 1305 feet from the W line Section 16 Township 8S Range 30E NMPM County Chaves 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4136 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 ☐

SUBSEQUENT REPORT OF:

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

OTHER ☐OTHER: clean out, re-perf, acidize, acid frac ☒

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

8/16/07: MIRU pulling unit, pull rods and tubing. RIH to 3542' and circulated hole clean.
 8/17/07: Perforated San Andres 3286-3300', 3340-3386', 3428-3440', 3484-3488' from KB (6' above GL).
 8/21/07: Acidized San Andres w/ 3,000 gal 15% HCl @ 3 BPM.
 8/22/07: RIH w/ tubing and set packer @ 3156'.
 8/23/07: Pumped 331 bbls 15% HCl @ 7 BPM. Flushed w/ 15 bbls produced water. ISIP 1271#, 5-minute 1017#, 10-minute 997#, 15-minute 968#. RD frac equipment and RU flowback equipment.
 8/24/07: Swabbed 12 BO and 57 BW. Unset packer and POOH.
 8/25/07: RIH w/ 4-3/4" bit on 2-3/8" tubing and cleaned out to 3557'.
 8/26/07: RIH w/ 3475' 2-3/8" tubing, rods and 1.5" pump

Spud Date:

12/19/2000

Rig Release Date:

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 12/14/2009Type or print name Collin Strawn E-mail address _____ PHONE: 817-698-0900**For State Use Only**APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JAN 08 2010

Conditions of Approval (if any): _____