Submit 1 Copy To Appropriate District 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
JAN 21 2010
HOBBSOCD

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

WELL API NO. 30-025-25071 ✓
5. Indicate Type of Lease STATE ☐ FEE ☒ ✓
6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name
Arco Lanehart ✓

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ✓
8. Well Number 1 ✓

2. Name of Operator
Herman Loeb LLC. ✓
9. OGRID Number ~~26493~~ 264953 ✓

3. Address of Operator
PO Box 838, Lawrenceville, Ill. 62439
10. Pool name or Wildcat
Langlie-Mattix

4. Well Location
Unit Letter A : 990' feet from the North line and 330 feet from the East line
Section 21 Township 25S Range 37E NMPM County Lea ✓

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3,080' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☒	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
OTHER:	☐			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.*

1. Well currently has a CIBP set @ 3,300' with no perfs above CIBP. Request permission to Temporarily Abandon to allow time to evaluate for possible recompletion in the Seven Rivers, Yates & Tansil formations.

Condition of Approval : Notify OCD Hobbs office 24 hours prior to running MIT Test & Chart

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 Michael Polley TITLE Agent for Herman Loeb LLC. DATE 1/18/2010

Type or print name Michael Polley E-mail address: polleyms@gmail.com PHONE: 719-342-5600

For State Use Only

APPROVED BY: Gary W. Hill TITLE DISTRICT 1 SUPERVISOR DATE JAN 22 2010

Conditions of Approval (if any):

MICHAEL POLLEY OILFIELD CONSULT
BOX 754 CHEYENNE WELLS COLORADO
MICHAEL POLLEY

COMPANY: Herman Loeb LLC

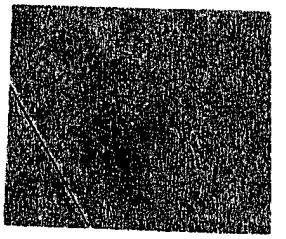
WELL NAME: Arco #1

LEGALS: Sec 21 / 25S / 37E
Unit letter A

API # 30-025-25071

COMPLETION, WORKOVER AND DRILLING SUPERVISION

PH#719-767-8998
MOB#719-342-5600
FAX#719-767-8998
(CALL PRIOR TO FAXING
Email, polleyms@rebelmail.net



VOL BETWEEN PIPE & HOLE CAP

	BBL/FT	FT/BBL	CF/LF
4 1/2 - 7 7/8	0436	24.85	2278
5 1/2 - 7 7/8	0308	32 41	1733
8 5/8 - 12 1/4	0735	13 61	4127
9 5/8 - 12 1/4	0558	17 93	3132
13 3/8 - 17 1/2	1924	5 08	6648

TUBING & CASING SIZE & CAP

	WT	BBL/FT	FT/BBL
2 3/8	4 6	0039	258 65
2 7/8	6 5	0058	172 78
3 1/2	9 3	0087	114 99
4 1/2	10 5	0159	62 70
4 1/2	11 6	0155	64 34
5 1/2	15 5	0238	42 01
5 1/2	17 0	0232	43 02
5 1/2	20 0	0222	45 09
5 1/2	23 0	0212	47 20
8 5/8	32 0	0609	16 41
9 5/8	36.0	0773	12 94

D.P. SIZE _____ TUBING SIZE: _____ CASING SIZE: _____

HOLE SIZE. _____ PERFS: _____

PACKER SETTING. _____ BP SETTING: _____ MAX RATE: _____

MAX PSI: _____ BHST: _____ FORM: _____ TAIL PIPE: _____

VOL BETWEEN PIPE & PIPE CAP

	WT	BBL/FT	FT/BBL	CF/LF
2 7/8 - 4 1/2	11 6	0101	99.37	0565
2 3/8 - 5 1/2	17 0	0176	56 28	0958
2 7/8 - 5 1/2	17 0	0152	65 71	0854
2 7/8 - 7	23 0	0313	31 91	1780