

State of New Mexico
Energy, Minerals and Natural Resourcesp. 1
Form C-10
October 13, 2010

WELL API NO. 30-025-32741
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B 6807
7. Lease Name or Unit Agreement Name Kaiser State
8. Well Number 44
9. OGRID Number 161968
10. Pool name or Wildcat Seven Rivers (Assoc)

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

Mesquite SWD Inc

3. Address of Operator

P.O. Box 1479 Carlsbad NM 88221-1479

4. Well Location

Unit Letter F : 2310 feet from the FNL line and 2310 feet from theFWL line

Section 13

Township 21S

Range 34E

NMPM

Count / Lea

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

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.

- * 1) Set CIBP @ 3460ft circ hole. Freshwater Pkr. Fluid.
 2) Notify OCD to run MIT would not pressure up over 400# test failed
 3) plans are move in pulling unit Ru test csg ever 500ft find hole set cement retainer squeeze hole drill out cement and retest to 1000# for 30minutes.
 4) will notify OCD before running MIT

* No Subsequent Report
 of perfs. @ 3560' CIBP
 to be < 100' Above Top Perfs.

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

Clay Wilson

TITLE

PRES.

DATE

11/20/2010

Type or print name

CLAY L WILSON

E-mail address:

CLAYLWILSON@PCNM.COM

PHONE:

575-7067

For State Use Only

APPROVED BY: James W. Hill TITLE DISTRICT 1 SUPERVISOR DATE p.2 JAN 25 2010
Conditions of Approval (if any):