

Submit 3 Copies 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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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 30-025-01711 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> BLM <input type="checkbox"/>
2. Name of Operator J.F. McAdams		6. State Oil & Gas Lease No.
3. Address of Operator 1088 W. Broadway, Hobbs, NM 88240		7. Lease Name or Unit Agreement Name Brooks Federal ✓
4. Well Location Unit Letter O : 660 feet from the South line and 1980 feet from the East line Section 7 Township 20 Range 33 NMPM County Lea ✓		8. Well Number 3 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 11238 ✓
		10. Pool name or Wildcat Salt Lake Yates (SWD) ✓

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Isolate hole with plug and packer method. <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

THIS SUNDRY IS BEING SUPPLIED TO OCD DUE TO THE SWD DESIGNATION OF THE WELL.
(This information is also being provided to the BLM Carlsbad office on BLM Form 3106-5.)

Well failed an MIT on May 4, 2010 due to a probable hole in the casing.

The operator intends to pull and tally the tubing out of the hole and set a wireline bridge plug at 2840'. The tubing and packer will be run back in the hole to approximately 2600'. Load hole with 2% KCL and pressure test to 500 psi. Packer setting will be adjusted up and down the hole as necessary to determine the approximate depth of hole.

Perform cement squeeze. Drill out cement and plug, clean out to TD. Rerun tubing and packer and MIT.

Spud Date: 9/13/62 Rig Release Date: N/A

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Ben Stone TITLE Agent for J.F. McAdams DATE May 5, 2010

Type or print name Ben Stone E-mail address: ben@sosconsulting.us PHONE: _____

For State Use Only

APPROVED BY [Signature] TITLE State Rep DATE 5-5-10

Conditions of Approval (if any):