

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87401
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
May 27, 2004

RECEIVED

OIL CONSERVATION DIVISION
JUL 19 2010
220 South St. Francis Dr.
Santa Fe, NM 87505
HOBBSOCD

WELL API NO. 30-025-35484
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: SHIRLEY BOYD
8. Well Number 002
9. OGRID Number 189951
10. Pool name or Wildcat MCCORMACK; SILURIAN, SOUTH
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,312' - GR
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/>
Pit type <u>STEEL</u> Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbs; Construction Material * <u>NONE WITHIN 1,000'</u>

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 checked="" type="checkbox"/>
2. Name of Operator ENCORE OPERATING, L.P. ATTN: ANN BURDETTE WILEY
3. Address of Operator 777 MAIN STREET, SUITE 1400, FORT WORTH, TEXAS 76102
4. Well Location Unit Letter <u>G</u> : <u>2310</u> feet from the <u>NORTH</u> line and <u>2277</u> feet from the <u>EAST</u> line Section <u>26</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>LEA</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,312' - GR

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 COMPLETION ☐

OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☒
CASING TEST AND CEMENT JOB ☐

OTHER: WELL PLUGGED X ABANDONED 07/12/10.

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.

07/01-02/10: DRILL OUT 5-1/2" CIBP @ 2,974' X CIH X TAG EXISTING CIBP @ 6,350'; CIBP WELL W/ PXA MUD.
07/06/10: PUMP A 25 SX. OMT. PLUG @ 6,350'-6,150'; PUMP A 25 SX. OMT. PLUG @ 5,971'; WOC X TAG @ 5,720'.
07/07/10: PUMP A 25 SX. OMT. PLUG @ 5,192'; WOC X TAG @ 4,975'; PERF. 5-1/2" CSG. @ 3,450'; ATTEMPT TO EST. INJ. RATE - PRES. UP TO 1,000#; PUMP A 25 SX. OMT. PLUG @ 3,500'; WOC X TAG @ 3,305'.
07/08/10: ISOLATE CSG. LEAK PER NMOC @ >2,900'; UNABLE TO EST. GOOD PUMP RATE; PUMP A 50 SX. OMT. PLUG @ 3,100'; WOC X TAG OMT. @ 2,625'; PUMP A 175 SX. OMT. PLUG @ 2,625' (PER NMOC); TAG OMT. @ 1,055'.
07/12/10: PERF. 5-1/2" CSG. @ 470'; MIX X CIRC. OMT. TO SURFACE PER NMOC; DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CSGS. X INSTALL DRY HOLE MARKER.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE David A. Eyer TITLE AGENT DATE 07/15/10

Type or print name DAVID A. EYER

E-mail address: deyler@milagro-res.com

Telephone No. (432) 687-3033

For State Use Only

APPROVED BY [Signature] TITLE STATE MGR DATE 7-19-10

Conditions of Approval, if any: