

October 13, 2009

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 87401

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

87505

RECEIVED

AUG 27 2010

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-041-20754

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

NMNMM 01456685

7. Lease Name or Unit Agreement Name

Horton Federal

8. Well Number

36

9. OGRID Number

257420

10. Pool name or Wildcat

Milnesand (San Andres)

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

EOR Operating Company

3. Address of Operator

200 N. Loraine, Suite 1440. Midland, TX 79701

4. Well Location

Unit Letter B : 900 feet from the North line and 1581 feet from the East lineSection 30 Township 8S Range 35E NMPM County Roosevelt

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

4211.9 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: ☐

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.

Est Start date: 8/30/10

Reactivate well as part of the NMOCD-ACO-265-A.

Repair, down hole equipment failure (rods, pump and or tbg) and return well to production.

(2 7/8" tbg. @ 4745'. SN @ 4714'. 5 1/2", 15.5# csg @ 4806'. Perforations 4655'-4688' & 4712'-4732')

Start Date:

Rig Release Date:

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

SIGNATURE

TITLE Sr. Well Operations SupervisorDATE 8/24/10Type or print name L.A. Spittler, Jr.E-mail address: lspittler@enhancedoilres.com PHONE: 432-688-0303

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

AUG 30 2010

Conditions of Approval (if any):