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SEP 30 2010

HOBBSOCD

P&A'd. OK TO RELEASE.
MJB 10/7/2010

Submit One 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

State of New Mexico
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505Form C-103
March 18, 2009

WELL API NO. 30 005 21169	✓
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> X	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Shirkey	✓
8. Well Number 1	✓
9. OGRID Number 08100- 18100	✓
10. Pool name or Wildcat Cato San Andres, Gas	

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 ☐ Other2. Name of Operator
Primero Operating, Inc.3. Address of Operator
PO Box 1433, Roswell, NM 88202-1433

4. Well Location

Unit Letter L : 1980 feet from the South line and 660 feet from the West line

Section 8 Township 8S Range 30E NMPM Chaves County NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4038

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

☒ Location is ready for OCD inspection after P&A

- X All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan
 X Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
 X A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- X The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
 X Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
 X If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
 X All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
 X All other environmental concerns have been addressed as per OCD rules.
 X Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines. - The Ranch has laid two water lines over the old location.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

NOTE: This work was done in March 2004SIGNATURE [Signature] TITLE President DATE 9/29/10TYPE OR PRINT NAME Phelps White E-MAIL: pwiv@zianet.com PHONE: 575 626 7660

For State Use Only

APPROVED BY: [Signature] TITLE Compliance Officer DATE 10/7/2010

Conditions of Approval (if any):

PRIMEA
OPERATING, INC.

POST OFFICE BOX 1433
ROSWELL, NEW MEXICO 88202
(505) 622-1001 FAX (505) 625-0227

March 31, 2004

Gary W. Wink
NMOCD
1625 French Drive
Hobbs, New Mexico 88240

Re: Plugged Well Locations

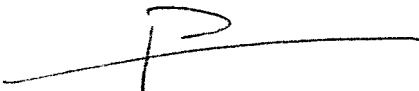
Gary:

I got your letter dated March 24 yesterday and am working to remedy the situation. Please find the enclosed Checklists for the Shirkey No. 1 and the Bolero State #1 wells. I am sure that the State 22 #1 and Tilley wells are ready but I want to make a field check before I send in the forms for these wells, I plan to do that next week.

The Brass Bottle well was plugged in late December and the last time I looked, the pits were still a bit moist for cleanup, they may be ready now. I will check on this next week and we will get the cleanup done ASAP.

Should you have any questions or comments please give me a call on my cell phone at 505 626 7660.

Thank you,



Phelps White
President



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

Operator Name: PRIMERO Operating Inc
Lease Name: SHIRKEY
Unit Letter S-T-R: L-8-85-30E
API Number: 30005 21169

Form C-103, Report of Plugging has been approved as to plugging of the Well Bore. Liability under bond is retained until an NMOCD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

- ☒ 1. All pits have been remediated, filled and leveled.
- ☒ 2. Rat hole and cellar have been filled and leveled.
- ☒ 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
- ☒ 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- ☒ 5. The dead men and tie downs have been cut and removed.
- ☒ 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been remediated, leveled and cleared of all junk & equipment.
- ☒ 7. All environmental concerns have been addressed as per OCD guidelines.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.

Name P. PHEZOS Title PRESIDENT
PHEZOS White

Primero Operating, Inc.

PO Box 1433, Roswell, New Mexico 88202-1433
575-622-1001

RECEIVED

SEP 30 2010

HOBBSOCD

September 29, 2010

Buddy Hill
NMOCD District I
1625 French Drive
Hobbs, NM 88240

Re: Shirkey #1
Section 8, T8S, R30E
Chaves County, NM

Mr Hill:

I received your letter regarding the subject well on September 7, 2010. This well was plugged in 2002 and I informed the NMOCD that it was clean and ready for inspection in '04. I went by and inspected the location yesterday and found it to be clear of junk and the road is grown over very well. The only equipment left on location are two poly lines laid across the location apparently by the rancher for water.

Gary Wink sent me a letter regarding a few wells including this one on March 31, 2004. I replied to this letter with the then used form notifying him that the well was ready for inspection. I was under the impression that this location was cleared by the NMOCD shortly after my form was sent. I checked the NMOCD website today and did not find the notification, I'll bet it is filed and was scanned from another well file.

I have enclosed a copy of my new C-103 form and the correspondence with Gary back in '04. If you have any questions please feel free to call me on my cell phone at 575 626 7660.

Thank You

Phelps White

A handwritten signature in black ink, appearing to be 'P. White', with a stylized flourish extending to the right.

President