

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

RECEIVED
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
DEC 23 2010
HOBBSOCD

WELL API NO. 30-041-20942
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name San Juan Mesa 16 State
8. Well Number 1
9. OGRID Number 241401
10. Pool name or Wildcat Wildcat
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4613.3' GL

<p>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.)</p>	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Torch Energy Services, Inc.	
3. Address of Operator 1331 Lamar Ste. 1450 Houston, TX 77010	
4. Well Location Unit Letter A : 660 feet from the North line and 660 feet from the East line Section 16 Township 4S Range 30E NMPM Roosevelt County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4613.3' GL	

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

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

Torch Energy is requesting to plug said well. Work will begin upon approval of plugging procedure.

1. Set CIBP @ approx. 7820' (upper perf @ 7850'), dump 20' "H" cement on plug.
2. PU tbgs, TIH to top of plug, circ hole w/ 9.5# mud laden fld.
3. Cut off csg @ 5700' ± (cmt top @ 5812') POOH w/ csg.
4. TIH w/ tbgs to 50' below csg cut off, mix 30 sxs "C" cmt, spot 100' plug.
5. Pull out of plug, rev circ tbgs displacement, allow cmt to set 2 hrs before tagging top of plug.
6. Pull up to 2250', mix 40 sxs "C" cmt, spot 100' plug 50' below & 50' above base of inter string (2200').
7. Pull out of plug, rev circ tbgs displacement, allow cmt to set 2 hrs before tagging top of plug.
8. Pull to 510', mix 30 sxs "C" cmt, spot 100' plug.
9. Pull out of plug, rev circ tbgs displacement, allow cmt to set 2 hrs before tagging top of plug.
10. Pull to 50', set 50' plug @ surf.
11. Install dry hole marker & rig down. OCD will be notified for inspection after plugging is done.

Spud Date:

Rig Release Date:

The Oil Conservation Division **Must be notified 24 hours prior** to the beginning of plugging operations.

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

SIGNATURE Angela Lightner TITLE Regularoty Consultant DATE 12/20/2010

Type or print name Angela Lightner E-mail address: angela@rkford.com PHONE: 432-682-0440

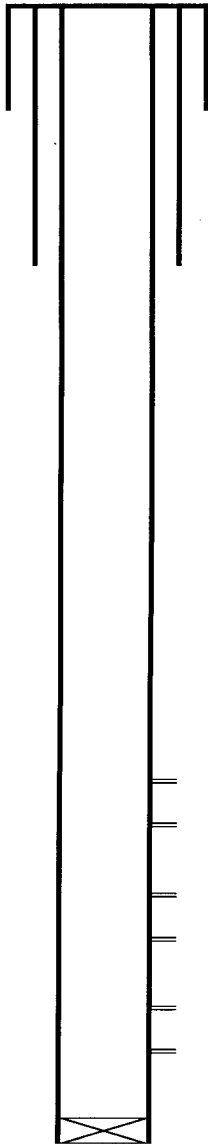
For State Use Only

APPROVED BY: [Signature] TITLE STATE MGR DATE 12-27-10

Conditions of Approval (if any):

San Juan Mesa 16 State #1
 Sec 16 - T4S - R30E
 Roosevelt County, NM
 API# 30-041-20942

Current Wellbore Status



GL - 4613'

13.375" 48#/ft. H-40 STC set at 460'
 circulated cement to surface

8.625" 24#/ft. J-55 STC set at 2201'
 circulated cement to surface

Top of Cement - 5812'

Cisco/Penn 7850' - 7857' (4spf)

Cisco/Penn 7882' - 7898' (4spf)

Strawn 8096' - 8112' (4spf)

Strawn 8222' - 8228' (4spf)

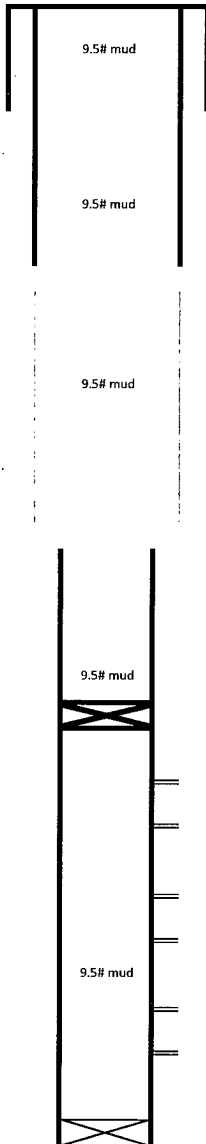
Montoya 8640' - 8670' (4spf)

Montoya 8712' - 8728' (4 spf)

PBTD - 8756'

5.500" 11.6#/ft. N-80 LTC @ 8809'

Proposed Wellbore Status



60' +

Spot cement plug 50' - 0'

Spot 100' cement plug 2150' - 2250'

Spot 100' cement plug 2250' - 2150'
 50' outside casing and 50' inside casing

Cut Casing @ 5700' +/- spot 100' plug
 50' inside casing & 50' outside casing

35' +

CIBP @ 7820' w/20' cement on top