

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

RECEIVED

JAN 12 2011

HOBBSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-10669

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

SKELLY PENROSE B UNIT

8. Well Number 048

9. OGRID Number 012444

10. Pool name or Wildcat

LANGLIE MATTIX (37240)

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

PROVIDENCE ENERGY SERVICES, INC. dba KELTON OPERATING

3. Address of Operator

P.O. BOX 928, ANDREWS, TEXAS 79714-0928

4. Well Location

Unit Letter E : 1980 feet from the NORTH line and 660 feet from the WEST lineSection 8 Township 23S Range 37E NMPM LEA County

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

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: Mechanical Integrity Test - TA Status ☒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.

Run Mechanical Integrity Test to extend T.A status of well.

6 mo. Only

Condition of Approval: Notify OCD Hobbs
office 24 hours prior of running MIT Test & Chart

Spud 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 PRESIDENTDATE January 3, 2011Type or print name C. Dale KeltonE-mail address: providenceenergy@suddenlink.netPHONE: 432-661-1364

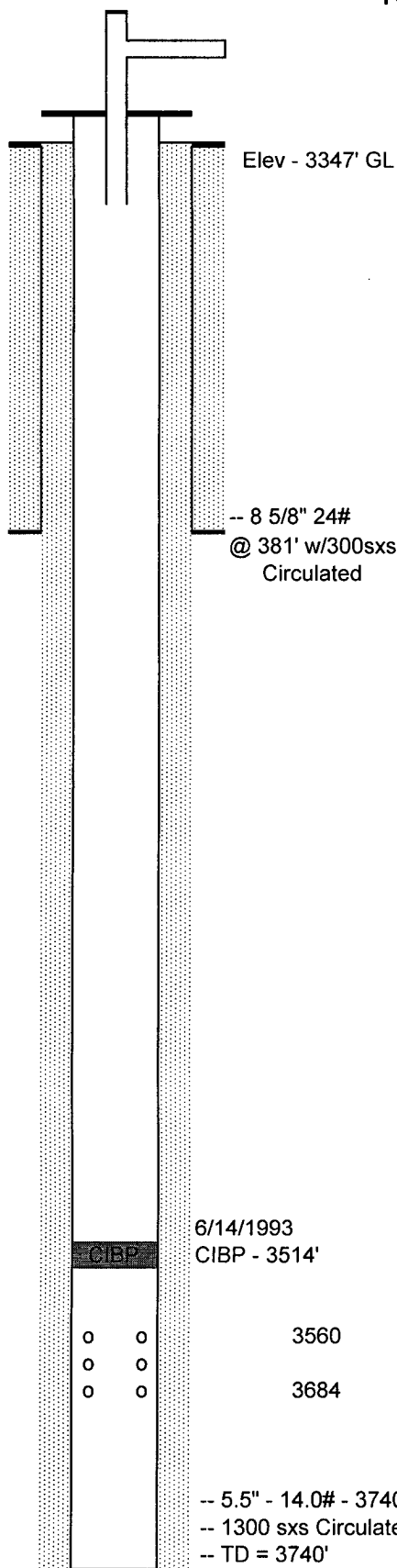
For State Use Only

APPROVED BY:

TITLE STAFF MAXDATE 1-26-2011

Conditions of Approval (if any):

Kelton Operating Corporation - WELL DIAGRAM



WELL INFORMATION

WELL NAME: Skelly Penrose B Unit # 48
LEGAL LOCATION: 8-23S-37E LEA, NM

WELL HEAD TYPE: _____
WELL HEAD SIZE: _____
CASING SIZE: _____

Notes: Well was put back on production based on economical oil price to operate. Possibly reinstate production.

Drilled September 1957

COMMENTS

**TEMPORARILY ABANDONED OIL WELL 03/15/1973
LAST MIT TEST 10-25-2004 550# > 540#**

Last prod. 9 BOPD 1970 Converted to Injection 09/1970