State of New Mexico n , Minerals and Natural Resources Departmer

Form C-103 Revised 1-1-89

4/7/97

MAY 13 1998

District Office DISTRICTI OIL CONSERVATION DIVISION WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-025-25161 Santa Fe, New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease STATE X FEE DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. E - 9713SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) Type of Well: State 11 OIL OTHER Salt Water Disposal 2. Name of Operator 8. Well No. Challenge Operating, Inc. 3. Address of Operator 9. Pool name or Wildcat 427 S. Boston, Suite 1702, Tulsa, OK 74103 N. Mescalero Cisco 4. Well Location Unit Letter L : 1980 Feet From The South 660 Feet From The Line and West Range County 10S Lea Township 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4291 GR - 4306 KB Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: ALTERING CASING PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK COMMENCE DRILLING OPNS. PLUG AND ABANDONMEN TEMPORARILY ABANDON CHANGE PLANS CASING TEST AND CEMENT JOB PULL OR ALTER CASING OTHER: OTHER:_ 12. 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. Work began on 3/24/97. Changed out 2-3/8" tubing string with Baker packer at 8001: Loaded annulas with packer fluid. Test backside (chart enclosed). Begin injection on vacuum 3/26/97. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

_ mue ____Engineer

CONDITIONS OF APPROVAL, IF ANY:

APTROVED BY -

SIGNATURE -

TYPE OR PRINT NAME

(This space for State Use)

Green

3. CALLED BY

