

C CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-103  
Revised 10-1-78

|                        |  |
|------------------------|--|
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| OPERATOR               |  |

|                                                                                                      |
|------------------------------------------------------------------------------------------------------|
| 5a. Indicate Type of Lease<br>State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> |
| 5. State Oil & Gas Lease No.<br>V-642                                                                |
| 7. Unit Agreement Name<br>N/A                                                                        |
| 8. Farm or Lease Name<br>STATE 14-1                                                                  |
| 9. Well No.<br>#1                                                                                    |
| 10. Field and Pool, or Wildcat<br>S.R.R. DEVONIAN                                                    |
| 12. County<br>LEA                                                                                    |

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.)

|                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------|
| OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>                            |
| Name of Operator<br>SPENCE ENERGY COMPANY                                                                                                |
| Address of Operator<br>381 TWO ENERGY SQUARE, 4849 GREENVILLE AVENUE, DALLAS, TEXAS 75206                                                |
| Location of Well<br>UNIT LETTER M 330' FEET FROM THE SOUTH LINE AND 330' FEET FROM THE WEST LINE, SECTION 14 TOWNSHIP 9S RANGE 32E NMPM. |
| 15. Elevation (Show whether DF, RT, GR, etc.)                                                                                            |

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data  
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

|                                                |                                                   |                                                     |                                               |
|------------------------------------------------|---------------------------------------------------|-----------------------------------------------------|-----------------------------------------------|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUS AND ABANDON <input type="checkbox"/>         | REMEDIAL WORK <input type="checkbox"/>              | ALTERING CASING <input type="checkbox"/>      |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input checked="" type="checkbox"/>  | COMMENCE DRILLING OPER. <input type="checkbox"/>    | PLUS AND ABANDONMENT <input type="checkbox"/> |
| WELL OR ALTER CASING <input type="checkbox"/>  | OTHER CHANGING FORMATION <input type="checkbox"/> | CASING TEST AND CEMENT JOB <input type="checkbox"/> |                                               |
|                                                |                                                   | OTHER <input type="checkbox"/>                      |                                               |

7. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

DRILLED OUT THE CIBP AT 11,000. SET PRODUCTION PACKER @ 10,300' PRODUCING OUT OF THE DEVONIAN PERFORATION AT 11,055-60

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

|                                                          |                               |                      |
|----------------------------------------------------------|-------------------------------|----------------------|
| Signed <u>Clay Spence</u>                                | TITLE <u>FIELD SUPERVISOR</u> | DATE <u>10/14/86</u> |
| ORIGINAL SIGNED BY JERRY SEXTON<br>DISTRICT 1 SUPERVISOR |                               | NOV 13 1986          |
| APPROVED BY _____                                        | TITLE _____                   | DATE _____           |