

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

| |
|---|
| WELL API NO. 30-025-30566 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. 291-310(E-26)291-3120.5 1402 |
| 7. Lease Name or Unit Agreement Name STATE O G |
| 8. Well No. G.C. STATE NO: 1 |
| 9. Pool name or Wildcat North Bagley Permo Penn |

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.)

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|--|--|
| 1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER | 2. Name of Operator L.B.O. NEW MEXICO, INC. |
| 3. Address of Operator 4101 Birch Street, #130; Newport Beach, CA. 92660 | 4. Well Location Unit Letter <u>K</u> : <u>2065'</u> Feet From The <u>South</u> Line and <u>2010'</u> Feet From The <u>West</u> Line Section <u>9</u> Township <u>11S</u> Range <u>33E</u> NMPM LEA County |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3288.8 (GR) | |

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

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|---|---|---|---|
| PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input checked="" type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| PULL OR ALTER CASING <input checked="" type="checkbox"/> | | CASING TEST AND CEMENT JOB <input type="checkbox"/> | |
| OTHER: <input type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

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.

Date: JANUARY 13, 1990

Remedial work to correct parted rods was commenced on January 3, 1990. Cobra pulling unit was called out. During remedial work, the 2-3/8 tubing parted and rods dropped into well causing rods to wrap around tubing. Davis was called out to help retrieve rods and pull tubing. During work, the 5-1/2 casing was found parted at several places and operations were shifted to repairing casing. Casing was pulled on 1/17/90 and found collapsed at approximately 4,200 feet from surface. Remedial work is in progress to replace parted and collapsed joints. Subsequent to repairing, 5-1/2 tubing will be pulled and rods replaced.

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

SIGNATURE RAYMOND A. DIAZ TITLE PRESIDENT DATE 1-18-90

TYPE OR PRINT NAME RAYMOND A. DIAZ TELEPHONE NO. (714)261-8181

(This space for State Use)

APPROVED BY Paul Kautz TITLE Geologist DATE JAN 22 1990

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

JAN 18 1990

OCB
H0265 OFFICE