

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) 291-312 (OG-1402)
7. Lease Name or Unit Agreement Name "OG" State OG
8. Well No. 1
9. Pool name or Wildcat No. 1402 Perno Penn
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3288.8 (GR)

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.)

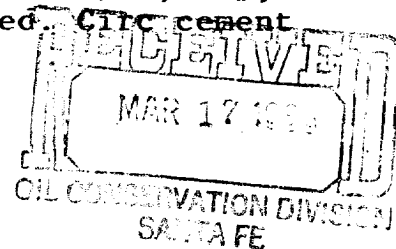
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator LBO New Mexico, Inc.
3. Address of Operator 4101 Birch St., Suite 130, Newport Beach, CA 92660
4. Well Location Unit Letter K : 2065 Feet From The South Line and 2010 Feet From The West Line Section 9 Township 11 South Range 33 East 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 type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <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.

3-06-89: Spudded well 6:30 AM (MST). Ran 306' 13-3/8", 61#, J-55 ST&C casing. Halliburton cemented to surface. Tested, drilling ahead.

WOC time 16 1/4 hrs.
Tested 30 min. 1000'



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

SIGNATURE Donald A. Turner TITLE Agent DATE 3-15-89
TYPE OR PRINT NAME Donald A. Turner TELEPHONE NO. 915/682-3418

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

MAR 24 1989