

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
2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-005-21156
5. Indicate Type of Lease Federal <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Drickey Queen Sand Unit
8. Well No. 54
9. Pool name or Wildcat Caprock Queen
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4414' GL; 4425' DF; 4426' KB

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 type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Injection
2. Name of Operator Queen Sand Operating Co.
3. Address of Operator 13760 Noel Road, Suite 1030, LB44 Dallas, Tx 75240
4. Well Location Unit Letter P : 330' Feet From The East Line and 200' Feet From The South Line Section 15 Township 14S Range 31E NMPM Chaves County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4414' GL; 4425' DF; 4426' KB

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 type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: TD of horizontal leg <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.

Drilled from 3312' to 5410'. TVD 3103.93', 83.50°, AZM 0.90. 2098' lateral 4 3/4" hole. At TD 5410' 90.10°, AZM 2.50, TVD 3107.86. Well will be open hole completed. TD @ 5410' on 12/3/99 @ 19:15. Rig released @ 14:00 12/4/99.

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

SIGNATURE James L Hull Jr TITLE Production Clerk DATE 7/27/00
TYPE OR PRINT NAME James L Hull Jr TELEPHONE NO. 972-383-8260

(This space for State Use)

APPROVED BY _____ TITLE ORIGINAL SIGNED BY PAUL F. KAUTZ PETROLEUM ENGINEER DATE UGT 6-1-2000

CONDITIONS OF APPROVAL, IF ANY: