| NO. OF COPIES RECEIVED   |                             |  |                                   |
|--|-----------------------------|--|-----------------------------------|
| DISTRIBUTION   |                             | NOISSIMMON OIL CONCEDVATION COMMISSION |                                   |
| SANTA FE   | NEW MEXICO OIL CONS         | NEW MEXICO OIL CONSERVATION COMMISSION |                                   |
| FILE   |                             |  | 5a, Indicate Type of Lease        |
| U.S.G.S.   |                             |  | State Fee X                       |
| LAND OFFICE  |                             |  | 5. State Oil & Gas Lease No.      |
| OPERATOR   |                             |  | 5; blate on & das Zoass Nov       |
|  |                             |  | VIIIIIIIIIIIIIII                  |
| SI<br>(DO NOT USE THIS FORM F<br>USE "AP   | 7, Unit Agreement Name      |  |                                   |
| 1. OIL GAS OTHER. Dry Hole   |                             |  | 8. Farm or Lease Name             |
| 2. Name of Operator  |                             |  | Markham                           |
| McGrath & Smith, Inc.  |                             |  | 9. Well No.                       |
| 3. Address of Operator   |                             |  | 1                                 |
| 418 Building of the Southwest, Midland, Texas 79701  |                             |  | 10. Field and Pool, or Wildcat    |
| 4. Location of Well  |                             |  | 1                                 |
| UNIT LETTER K  | Wildcat                     |  |                                   |
| THE South LINE, SECTION 23 TOWNSHIP 12-S RANGE 37-E NMPM.  |                             |  |                                   |
| THI THIND THE  | 15. Elevation (Show whether |  | 12. County                        |
|  | GL 3892                     | кв 3904                                | Lea                               |
| Check Appropriate Box To Indicate Nature of Notice, Report or Other Data  NOTICE OF INTENTION TO:  SUBSEQUENT REPORT OF:   |                             |  |                                   |
|  |                             | ·                                      |                                   |
| PERFORM REMEDIAL WORK  | PLUG AND ABANDON            | REMEDIAL WORK                          | ALTERING CASING                   |
| TEMPORARILY ABANDON  |                             | COMMENCE DRILLING OPNS.                | PLUG AND ABANDONMENT              |
| PULL OR ALTER CASING   | CHANGE PLANS                | CASING TEST AND CEMENT JOB             |                                   |
| POLE ON ALIZA ONO ME   |                             | OTHER                                  |                                   |
| OTHER  |                             |  |                                   |
| <del></del> :  |                             |  | at a day of starting any proposed |
| 17. 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.   |                             |  |                                   |
| Spudded 6-27-70. Drld. 17 1/2 hole to 352'. Cmtd. 13 3/8-61# csg. at 352' with 325 sx. Circ. 20 bbls. cmt. Plug down 8:45 am, 6-28-70. WOC 18 hrs. Tstd. 13 3/8 to 600 psi - OK. Drld. 11" hole to 4500'. Cmtd. 8 5/8-24 & 32# csg. at 4500' with 450 sx. Plug down 7:00 am, 7-4-70. WOC 18 hrs. Tstd 8 5/8 to 1000 psi - OK. Drld. 7 7/8 hole to TD 11600'. Reached TD on 8-10-70. Ran logs. Propose to P & A as follows: Spot cmt. plugs 35 sx. at 11,600, 25 sx. top Penn, 25 sx. top WC, 25 sx. top Abo, 25 sx top Glor, 25 sx. across base of 8 5/8 at 4500', 25 sx. on 8 5/8 stub, 25 sx. across base of 13 3/8 at 352', 10 sx. in top 13 3/8 from 0-20'. Install DHM.   |                             |  |                                   |
|  |                             |  |                                   |
| 18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.   |                             |  |                                   |
| ,  |                             |  | 0.10.70                           |
| Marila   |                             | Sup't.                                 | B-13-70                           |
| SIGNED AND THE STATE OF THE STA |                             |  |                                   |
|  |                             |  |                                   |
|  |                             |  | DATE                              |

APPROVED BY \_\_\_

CONDITIONS OF APPROVAL, IF ANY: