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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103  
Supersedes Old  
C-102 and C-103  
Effective 1-1-85

|                                                                        |
|------------------------------------------------------------------------|
| 5a. Indicate Type of Lease                                             |
| State <input type="checkbox"/> Fee <input checked="" type="checkbox"/> |
| 5. State Oil & Gas Lease No.                                           |

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. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>                                  | 7. Unit Agreement Name                                      |
| 2. Name of Operator<br>OXY USA Inc.                                                                                                               | 8. Farm or Lease Name<br>Elkan A                            |
| 3. Address of Operator<br>P.O. Box 50250 - Midland, Texas 79710                                                                                   | 9. Well No.<br>1                                            |
| 4. Location of Well<br>UNIT LETTER L 1650 FEET FROM THE South LINE AND 990 FEET FROM<br>THE West LINE, SECTION 25 TOWNSHIP 13S RANGE 34E N.M.P.M. | 10. Field and Pool, or Mineral<br>Alston Ranch (Upper Penn) |
| 11. Elevation (Show whether DF, RT, Gk, etc.)<br>4111' GR                                                                                         | 12. County<br>Lea                                           |

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"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input 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 type="checkbox"/>  | OTHER <input checked="" type="checkbox"/> | CASING TEST AND CEMENT JOBS <input type="checkbox"/> | OTHER <input type="checkbox"/>                |
| Cement 5-1/2" casing across problem zone       |                                           |                                                      |                                               |

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 1103.

O.T.D. 10800' Lime & Dolomite, OPBTD 10700'. It is proposed to cement the 5-1/2" casing across the problem zone in the following manner:

1. MIRU a pulling unit, POOH w/rods and pump, ND WH, NU BOP's and POOH w/tubing and production assembly. RIH w/4-3/4" RB & 5-1/2" CS's on 2-7/8" tubing and CO to PBTD 10700' and CHC. POOH w/RB, CS's and tubing.
2. RU WL and run casing analysis log from 10300+ to surface. RIH w/4" casing gun and perforate 2 squeeze holes @ 7650'. RD WL.
3. RIH w/5-1/2" RBP and RTTS on 2-7/8" tubing and set the RBP @ 8400' and the RTTS @ 8390' and test the RBP to 1000#. Release the RTTS and dump 2 sacks of sand on top of the RBP. POOH to 7600' and reset the RTTS and test the casing to 1000#. Open the 8-5/8" casing valve and establish IR thru the squeeze holes @ 7650'. Release the RTTS and POOH w/RTTS and tubing.
4. RIH w/5-1/2" cement retainer to 7600' and set the retainer @ 7600'. Press 5-1/2" casing to 1000#. Open 8-5/8" casing valve and pump 1000 sacks of 50% Class H/50% Pozmix A. Cement is not designed to circulate. Close the 8-5/8" casing valve and squeeze w/100 sacks of Class C neat. Displace to the cement retainer w/FW. POOH w/2-7/8" tubing.

(CONTINUED ON REVERSE SIDE)

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

SIGNED Paul J. Smith TITLE Lead Petroleum Engineer DATE 6-17-88

APPROVED BY Paul J. Smith TITLE Geologist DATE 6-17-88  
CONDITIONS OF APPROVAL, IF ANY:

5. RU reverse unit and RIH w/4-3/4" RB, 3-1/2" DC's on 2-7/8" tubing and DO cement and load hole and test squeeze to 1000#. POOH w/RB, DC's and tubing. RIH w/4-3/4" RB, 5-1/2" CS's on 2-7/8" tubing and CO and circulate sand off RBP set @ 8400'. POOH w/RB, CS's and tubing. RIH w/retrieving tool on 2-7/8" tubing, release RBP and POOH w/RBP and tubing.
6. RIH w/production assembly on 2-7/8" tubing and set the 2-7/8" tubing @ 10567'. ND BOP's, NU WH. RIH w/rods and BHP and put well back on production.