Submit 3 Copies to Appropriate District Office

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Form C-103
Revised 1-1-89

WELL API NO. 30-025-29324

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. E-1075

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.)

7. Lease Name or Unit Agreement Name: Arco State

1. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER

2. Name of Operator: Lynx Petroleum Consultants, Inc.

8. Well No. 1-Y

3. Address of Operator: P.O. Box 1708, Hobbs, NM 88241

9. Pool name or Wildcat: Dean Permo Penn

4. Well Location
Unit Letter E : 2310 Feet From The North Line and 930 Feet From The West Line
Section 35 Township 15S Range 36E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3861.5' GR + 19.5' KB

11. 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	[X]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER:	[ ]		

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.

6/3/98 - ADDED WOLFCAMP PERFS:

1. Set RBP @ 10440'.
2. Perforated Wolfcamp 10412-10414'.
3. Acidized new perfs with 1000 gals. HCl.
4. 24-hour tests: Prior to work: 2 BO, 10 BW, & 11 MCFG
   After work: 90 BO, 25 BW, & 80 MCFG
5. Will not proceed with P&A plans approved by the OCD 5/15/98.

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

SIGNATURE Marc Wise TITLE President DATE 6/23/98

TYPE OR PRINT NAME Marc Wise TELEPHONE NO. 505-392-6950

(This space for State Use)

APPROVED BY ORIGINAL SIGNED BY CHRIS WILLIAMS DISTRICT II SUPERVISOR TITLE DATE NOV 10 1998

CONDITIONS OF APPROVAL, IF ANY: