

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-103  
Revised 10-1-78

5a. Indicate Type of Lease	
State <input checked="" type="checkbox"/>	Fee <input type="checkbox"/>
5. State Oil & Gas Lease No.	
V1443	

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 TERRA RESOURCES, INC.		8. Farm or Lease Name STATE "BH"	
3. Address of Operator 10 Desta Drive, Ste. 500 West Midland, Texas 79705		9. Well No. 1	
4. Location of Well UNIT LETTER <u>G</u> <u>1980</u> FEET FROM THE <u>North</u> LINE AND <u>2310</u> FEET FROM THE <u>East</u> LINE, SECTION <u>19</u> TOWNSHIP <u>16S</u> RANGE <u>35E</u> NMPM.		10. Field and Pool, or Wildcat Wildcat	
15. Elevation (Show whether DF, RT, GR, etc.) 4031.7		12. County 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 type="checkbox"/>	CASING TEST AND CEMENT JOBS <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>

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 1103.

1/22/87 Drilled 12-1/4" hole to 1827' & 11" hole to 5406'. Ran 8-5/8", 32# intermediate casing to 5406'. Halliburton cemented with 1300 sx of "Lite" cmt w/15#/sx salt & 1/4#/sx Flocele followed by 400 sx Class "C" w/2% CaCl<sub>2</sub>. 163 sx was circulated to the pit. TOC Surf.

1/23/87 Tested casing to 3000# for 30 min. OK, Drilled out & tested csg seat to 11 ppg FMW.

1/27/87 Halliburton squeezed the 13-3/8" x 8-5/8" annulus w/100 sx of Class "C" w/2% CaCl<sub>2</sub> & displaced w/10 BFW.

Notes: 1) 13-3/8" was set at 412' on 1/3/87  
2) A salt water flow was encountered at 5150'. BHP = 3300#  
Flow rate was 30 BPH.

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

SIGNED [Signature] TITLE OPERATIONS ENGINEER DATE 1/30/87

ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT 1 SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE FEB 4 1987

CONDITIONS OF APPROVAL, IF ANY: