

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

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  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-30579
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V 1029
7. Lease Name or Unit Agreement Name  STATE -21-
8. Well No. 3
9. Pool name or Wildcat NORTHEAST LOVINGTON PENN

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	
2. Name of Operator PENNZOIL EXPLORATION & PRODUCTION COMPANY	
3. Address of Operator P. O. DRAWER 1828 - MIDLAND, TEXAS 79702-1828	
4. Well Location Unit Letter H : 1650 Feet From The NORTH Line and 330 Feet From The EAST Line Section 21 Township 16-S Range 37-E NMPM LEA County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3795 GR - 3814 RKB	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☒  
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.

03/25/89  
to 04/14/89: Drilled 7-7/8" hole from 4400' to T.D. 11930' - Ran Multishot Survey from 10301 to 11930 - (Attached).  
04/15/89: TD 11930' - Logging  
04/16/89: TD 11930' - Logging  
04/17/89: TD 11930' - Circulated and conditioned hole to run casing.  
04/18/89: TD 11930' - PBTD 11793' - Ran 274 jts. of 5-1/2", 17#, N-80, LT&C casing and set at 11841' - Cemented with 450 sx. Class "H" plus 1% CF 14 mixed at 15.61 ppg - Bumped plug with fresh water at 6:30 PM CST on 04/17/89 - Nippled up tubing spool & tested to 2500# - Tested O.K. - Released rig at 3:00 AM CST on 04/18/89.  
04/19/89  
thru 04/21/89: Cleaned location and set anchors - Now waiting on completion unit.

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

SIGNATURE Roy R. Johnson TITLE Production Accountant DATE April 27, 1989  
TYPE OR PRINT NAME ROY R. JOHNSON 915-682-7316 TELEPHONE NO.

(This space for State Use)

Eddie W. Seay  
Oil & Gas Inspector

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

MAY 1 1989

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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

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DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-30579
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	V 1029
7. Lease Name or Unit Agreement Name	
STATE -21-	
8. Well No.	3
9. Pool name or Wildcat	NORTHEAST LOVINGTON PENN
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	
3795 GR - 3814 RKB	

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.)	
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3. Address of Operator P. O. DRAWER 1828 - MIDLAND, TEXAS 79702-1828	
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10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3795 GR - 3814 RKB	

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"/>	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"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Downhole motor deviation correction</u> <input checked="" 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.

03/25/89  
To 04/07/89: Drilled 7-7/8" hole from 4400' to 8918' - Ran multi-shot survey - Continued drilling to 9615' - Requested and received verbal permission from Mr. Jerry Sexton to utilize a downhole motor in an attempt to straighten the well - Drilled with motor from 9615' to 9757' - Now drilling at 10,564'.

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

SIGNATURE Roy R. Johnson TITLE Production Accountant DATE 04/07/89  
TYPE OR PRINT NAME ROY R. JOHNSON 915-682-7316 TELEPHONE NO.

(This space for State Use) ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

APR 11 1989

RECEIVED

APR 10 1961

U.S. DEPT. OF JUSTICE  
RECORDS SECTION

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**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-30579
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V 1029
7. Lease Name or Unit Agreement Name  STATE -21-
8. Well No. 3
9. Pool name or Wildcat NORTHEAST LOVINGTON PENN
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3795 GR - 3814 RKB

**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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator PENNZOIL EXPLORATION & PRODUCTION COMPANY
3. Address of Operator P. O. DRAWER 1828 - MIDLAND, TEXAS 79702-1828
4. Well Location Unit Letter <u>H</u> : <u>1650</u> Feet From The <u>NORTH</u> Line and <u>330</u> Feet From The <u>EAST</u> Line Section <u>21</u> Township <u>16-S</u> Range <u>37-E</u> NMPM LEA County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3795 GR - 3814 RKB

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 checked="" type="checkbox"/>
	OTHER: <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.

03/18/89  
To 03/23/89: Drilled 11" hole from 428' to 4400' - Ran 100 jts. of 8-5/8", 28#, HC-80 & S-80, 8rd., ST&C casing & set at 4400' - Western Company cemented with 1220 sx Pacesetter Light plus 3# Hi-seal per sx mixed at 12.32 ppg - Tailed in with 250 sx Class -C- plus 1% CaCl<sub>2</sub> mixed at 14.7 ppg - Bumped plug at 12:30 PM CST 03/22/89 - Circulated out approximately 140 sx to surface - Approximate cement slurry temperature 70 degrees - Estimated formation temperature 95 degrees.

03/24/89: W.O.C. for 23 hours - Tested 8-5/8" casing & BOP to 1500 psi for 30" - Held O.K. - Estimated compressive strength of cement at time of casing test 1800 psi - Commenced drilling 7-7/8" hole.

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

SIGNATURE Roy R. Johnson TITLE Production Accountant DATE March 29, 1989

TYPE OR PRINT NAME ROY R. JOHNSON TELEPHONE NO. 915-682-7316

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

MAR 31 1989

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**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-30579
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	V 1029

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Lease Name or Unit Agreement Name  STATE -21-
2. Name of Operator PENNZOIL EXPLORATION & PRODUCTION COMPANY	8. Well No. 3
3. Address of Operator P. O. DRAWER 1828 - MIDLAND, TEXAS 79701-1828	9. Pool name or Wildcat NORTHEAST LOVINGTON PENN
4. Well Location Unit Letter <u>H</u> : <u>1650</u> Feet From The <u>North</u> Line and <u>330</u> Feet From The <u>East</u> Line Section <u>21</u> Township <u>16-S</u> Range <u>37-E</u> NMPM LEA County	
10. Elevation (Show whether DF, PKB, RT, GR, etc.) 3795 GR - 3814 RKB	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
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 checked="" type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
	OTHER: <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.

03/14/89: Moving in McVay Drilling Company Rig #8.  
03/15/89: Rigging up McVay Drilling Company Rig #8.  
03/16/89: Spudded 17-1/2" hole at 11:00 AM CDT 3/15/89 - Drilled to T.D. 428' - Rigged up and ran 6 jts. of 13-3/8", 54.5#, J-55, 8rd STC casing plus 5 jts. of 13-3/8", 48.0#, H-40, 8rd. STC casing - Set at 428' RKB - Rigged up Western Company and cemented with 445 sx Class -C- with 2% CaCl per sx and mixed at 14.8 ppg - Plug down at 1:15 AM CST 3/16/89 - Circulated out est. 85 sx cement - Approximate cement slurry temperature 70 degrees - Estimated formation temperature 75 degrees.  
03/17/89: W.O.C. 14-1/2 hrs - Tested casing and BOP to 500# for 30" - Held O.K. - Estimated compressive strength of cement at time of casing test was 1500 psi - Commenced drilling 11" hole.

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

SIGNATURE Roy R. Johnson TITLE Production Accountant DATE March 21, 1989  
TYPE OR PRINT NAME Roy R. Johnson 915-682-7316 TELEPHONE NO.

(This space for State Use)

**ORIGINAL SIGNED BY JERRY SEXTON**  
**DISTRICT I SUPERVISOR**

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE MAR 23 1989

CONDITIONS OF APPROVAL, IF ANY:

**RECEIVED**

**MAR 22 1989**

**OCD  
HOBBS OFFICE**

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

OIL CONSERVATION DIVISION

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

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)
<b>30-025-30579</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V 1029

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>					
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator PENNZOIL EXPLORATION & PRODUCTION COMPANY		7. Lease Name or Unit Agreement Name STATE -21-			
3. Address of Operator P. O. DRAWER 1828 - MIDLAND, TEXAS 79702-1828		8. Well No. 3			
4. Well Location Unit Letter <u>H</u> : <u>1650</u> Feet From The <u>North</u> Line and <u>330</u> Feet From The <u>East</u> Line Section <u>21</u> Township <u>16-S</u> Range <u>37-E</u> NMPM Lea County		9. Pool name or Wildcat NORTHEAST LOVINGTON PENN			
10. Proposed Depth 12,200		11. Formation PENN			
12. Rotary or C.T. ROTARY					
13. Elevations (Show whether DF, RT, GR, etc.) 3795.0 GR		14. Kind & Status Plug. Bond Blanket			
15. Drilling Contractor Unknown at this time		16. Approx. Date Work will start March 15, 1989			
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2	13-3/8	48	425	425	Surface
11	8-5/8	28	4400	1400	425
7-7/8	5-1/2	17	12200	1000	8500

BOP's AS PER ENCLOSED DIAGRAM

UNORTHODOX LOCATION VERBAL PERMISSION ASKED FOR AND GRANTED BY

MR. WILLIAM J. LEMAY FOR PERMITTING PURPOSES ON MARCH 1, 1989.

ORDER NUMBER PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Roy R. Johnson TITLE Production Accountant DATE March 8, 1989  
TYPE OR PRINT NAME Roy R. Johnson 915-682-7316 TELEPHONE NO.

(This space for State Use)

Orig. Signed by  
**Paul Kautz**  
Geologist

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE MAR 10 1989

CONDITIONS OF APPROVAL, IF ANY:

Approved for drilling only -- No production  
authorized until unorthodox loc. approved.

Permit Expires 6 Months From Approval  
Date Unless Drilling Underway.

RECEIVED

MAR 9 1989

OCD  
HOBBS OFFICE