| State of Non-Net Sector PP-P State of Non-Net Net Net Net Net Net Net Net Net Net | |
|--|----------|
| DISTRICT II OIL CONSERVATION DIVISION 50 020 01000 811 South First, Artesia NM 88210 2040 South Pacheco 5. Indicate Type of Lease STATE FEE X | |
| District Indexed For NM 87505 | |
| 1000 Rio Brazos Rd., Aztec, NM 87410Santa Fe, NM 875056. State Oil & Gas Lease No.District IV 2040 S. Pacheco, Santa Fe, NM 8750523973 | |
| SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: | |
| (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 X Gas Well Other 8 Well No. | |
| 2. Name of Operator 1 David H. Arrington Oil & Gas, Inc. 9. Pool name or Wildcat | |
| 3. Address of Operator 9. Tool hallo of White and Diamond Strawn P.O. Box 2071 Midland, Texas 79702 Diamond Strawn | <u> </u> |
| 4. Well Location Unit Letter K : 2310' Feet From The South Line and 1479' Feet From The West Li | ne |
| Section 15 Township 16S Range 36E NMPM County Lea | |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) | |
| 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 ALTERING CASING ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PULG AND ALTERING CASING Image: Commence DRILLING OPNS. PULG AND PULL OR ALTER CASING Image: MULTIPLE COMPLETION COMPLETION Image: Complet Drilling Image: Completion or recompleted operations. Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any p posed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation. 2/18/99 Spudded well 4:45 pm Drilled 17 ½" hole to 470". 2/19/99 Ran 13 3/8" casing to 470'. Cemented to surface with 470 sx. Test BOP & casing to 1500 psi. 3/2/99 Drilled 11" hole to 4934'. Ran 8 5/8" casing to 4934'. Cemented to surface with 1300 sx. Test casing to 3000 psi. Test BOP to 1 psi. 3/21/99 Ran 5 ½" casing to 11,730'. Ran 2 DST's and open hole logs. 3/21/99 Ran 5 ½" casing to 11,730'. Cemented with 400 sx. 3/22/99 Released rig 3/22/99. Image: Complete diagram of proposed rig 3/22/99. Image: Completion of the completion | |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. | |
| SIGNATURE TITLE DATE June 1, 1999 Telephone No. (915) 682-668 | 5 |
| Type or print name David H. Arrington | |
| (This space for State USC) | 10199 |

Conditions of approval, if any:

5