State of New Mexico Form C-103 Revised 1-1-89 Submit 3 Copies Energy, Minerals and Natural Resources Department to Appropriate District Office **OIL CONSERVATION DIVISION** DISTRICT I WELL API NO. P.O. Box 1980, Hobbs NM 88241-1980 2040 Pacheco St. 30-025-34373 Santa Fe, NM 87505 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 FEE \square STATE X DISTRICT III 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) NORTH HOBBS G/SA UNIT 1. Type of Well: OIL X GAS WELL OTHER 8. Well No. 2. Name of Operator 534 Altura Energy Ltd. 9. Pool name or Wildcat 3. Address of Operator P.O. Box 4294 Houston, TX 77210-4294 HOBBS: GRAYBURG - SAN ANDRES 4. Well Location 2415 Feet From The SOUTH Line and Feet From The Line Unit Letter _ 18-S Range 38-E NMPM County Township 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3637' GL 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data **SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO:** ALTERING CASING PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CHANGE PLANS TEMPORARILY ABANDON CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** OTHER: SOURCE PERFORATIONS 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. Squeeze perfs at 4072' - 4106' to facilitate water shutoff as described below. 2/24/99 - 3/1/99: MI x RU pulling unit. NDWH x NUBOP. Pull production equipment. Run cement evaluation log (USI) from 3300'-4362'. RIH with 126 jts. 2-7/8" tubing. NDBOP x NUWH. RD PU x clean location. 3/3/99 - 3/16/99: RU FU. NDWH x NUBOP x pull 2-7/8" tubing. Pick up x set CICR x establish injection rate (2 BPM @ 70 psi). Mix and pump 100 sx. CL. C Neat x squeeze perfs at 4072'-4106'. Drill out cement retainer x circulate well. RU swabbing equipment x swab well. RIH with packer and pressure test. Pick up and run 96 jts. 2-7/8" tubing x ESP. NDBOP x NUWH. RD PU x clean location. I hereby certify that the information above is true and complete to the best of my knowledge and belief.