Form C-103

Line

State of New Mexico Submit 3 Copies Energy, Minerals and Natural Resources Department to Appropriate Revised 1-1-89 District Office DISTRICT I OIL CONSERVATION DIVISION WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-025-34373 DISTRICT II Santa Fe, New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease STATE FEE DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. 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.) Type of Well: North Hobbs G/SA Unit GAS WELL METT X OTHER 2. Name of Operator 8. Well No. Altura Energy LTD 534 3. Address of Operator 9. Pool name or Wildcat P.O. Box 4294, Houston, TX 77210-4294 Hobbs; Grayburg - San Andres Well Location 2415 Feet From The South Unit Letter . Line and Feet From The East 33 Section 18-S Township Range **NMPM** Lea County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3637' GL Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB Run 5-1/2" Casing 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. 7/18/98: Run 106 jts. 5-1/2", 15.5#, J-55, LT&C casing with 8 centralizers and set at 4402'. DV tool at 3491', bottom ECP at 3493'. Wash to bottom and circulate. Cement with 115 sx. Cl. C x plug down. Drop bomb x open DV tool. Upper ECP (@ 1450') set prematurely, lost circulation at approx. 3988', and could not pump second stage cement. Nipple down x set slips x cut off casing. Install tubinghead x clean steel pits. Release drilling rig @ 2:00 a.m. (7/19/98).

7/22/98: RUSU. RIH with tubing gun x perforate upper ECP set at 1450' - 1454', deflating the packer element allowing cement to circulate from the DV tool to the surface past the upper ECP. Cement with 625 sx. Cl. C and circulate 216 sx. to surface. RDSU.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.				
SIGNATURE Mark Stylias TITL		TITLE	Business Analyst (SG)	BATE8/10/98
TYPE OR PRINT NAME	Mark Stephens			(281) TELEPHONE NO. 552-1158
(This area of the St. 11)				

TIME -

ORIGINAL SIGNED BY CHRIS WILLIAMS

DISTRICT I SUPERVISOP

