

Submit 3 copies to Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

<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.)		WELL API NO. <b>30-025-35748</b>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <b>KUKUI Operating Company</b>		6. State Oil & Gas Lease No.
3. Address of Operator <b>203 W. Wall Street, Suite 810 Midland, TX 79701</b>		7. Lease Name or Unit Agreement Name: <b>North Lusk 32 State</b>
4. Well Location Unit Letter <b>L</b> ; <b>1980</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>West</b> line Section <b>32</b> Township <b>18S</b> Range <b>32E</b> NMPM County <b>Lea</b>		8. Well No. <b>1</b>
10. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>3691' GR</b>		9. Pool name or Wildcat

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

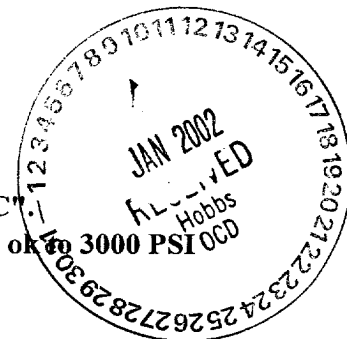
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>
OTHER: <input 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

12/05/01 - 12/12/01: Drill 12-1/4" hole to 4,250'.

12/12/01: Ran 96 jts 9-5/8", 40.0 lbs./ft., J-55, STC casing to 4,250'.

12/13/01: Cement 9-5/8" with 1100 sacks 35-65 Poz C and 200 sacks Class "C"  
Circulated 52 sacks cement to reserve pit. WOC. NU BOPE. Test ok to 3000 PSI  
on 12/14/01.



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

SIGNATURE Larry K. Strider TITLE **Western District Manager** DATE **01/08/02**

Type or print name **Larry K. Strider** Telephone No. **915-687-6200**

(This space for State use)

APPROVED BY \_\_\_\_\_ TITLE **ORIGINAL SIGNED BY  
PAUL E. KAUTZ  
PETROLEUM ENGINEER** DATE **JAN 10 2002**  
Conditions of approval, if any:

5  
C  
S