

DISTRICT I P.O. Box 1990, Hobbs, NM 88240

OIL CONSERVATION DIVISION 2040 Pacheco St. Santa Fe, NM 87505

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

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

WELL API NO. 30-02503842

5. Indicate Type of Lease STATE [X] FEE []

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 DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name State "E" Tract 18

1. Type of Well: OIL WELL [X] GAS WELL [] OTHER []

8. Well No. 17

2. Name of Operator Saga Petroleum LLC

3. Address of Operator 415 W. Wall, #835, Midland, TX 79701

9. Pool name or Wildcat Lovington Drinkard

4. Well Location Unit Letter F : 1650 Feet From The North Line and 2310 Feet From The West Line

Section 1 Township 17S Range 36E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3839

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 [], PULL OR ALTER CASING [], OTHER: Recomplete to Drinkard [X]. 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.

RUPU. Run GR/CN log. Set CIBP @ 7985! Selectively perforate the Drinkard zone, stimulate as necessary.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE: Joe N. Clement TITLE: NM Engineer DATE: 6/28/99 TYPE OR PRINT NAME: Joe N. Clement TELEPHONE NO.

(This space for State Use) ORIGINAL SIGNED BY GARY WINK FIELD REP. II APPROVED BY: TITLE: DATE:

CONDITIONS OF APPROVAL, IF ANY:

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