

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

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

WELL API NO. 30-025-25030
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Gill Deep
8. Well No. 1
9. Pool name or Wildcat Blinebry Oil & Gas

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.)

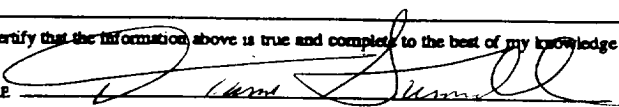
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator Collins & Ware, Inc.
3. Address of Operator 508 W. Wall, Suite 1200, Midland, Texas 79701
4. Well Location Unit Letter M : 720 Feet From The South Line and 720 Feet From The West Line Section 31 Township 21S Range 37E NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3468' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: Plugback to the Blinebry <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <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.

We completed this well in the Tubb 6175' - 6295' and have been production testing. We now plan to plugback and perforate the Blinebry (5535-5805) and test for productivity. We will then evaluate the possibility of downhole commingling the Tubb and Blinebry. We will follow the procedure set out in our permit to plugback approved 11/05/96, except we will set the retrievable bridge plug at 5900' instead of 6100'. We hope to start the work the first week in December.

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

SIGNATURE  TITLE Production Supervisor DATE 11/27/96

TYPE OR PRINT NAME Dianne Sumrall TELEPHONE NO. (915) 687-3435

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

DEC 10 1996