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5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. E-9141-1

**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. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER-	7. Unit Agreement Name
2. Name of Operator MINERALS, INC.	8. Farm or Lease Name LLANO '3' STATE COM
3. Address of Operator P.O. Box 1320, Hobbs, New Mexico 88240	9. Well No. #1
4. Location of Well UNIT LETTER <u>H</u> <u>1980</u> FEET FROM THE <u>North</u> LINE AND <u>660</u> FEET FROM THE <u>East</u> LINE, SECTION <u>3</u> TOWNSHIP <u>22S</u> RANGE <u>34E</u> NMPM.	10. Field and Pool, or Wildcat East Grama Ridge Morrow
15. Elevation (Show whether DF, RT, GR, etc.) 3592.5' GL 3614 KB	12. County Lea

16. 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"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	
		OTHER <u>Recompletion (Morrow)</u> <input checked="" type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1503.

Rigged up & Bone Springs perf 8750-8848' started to flow oil @ surface. Swab tstd-dry. Acidized perf w/3000 gal 15% HCl acid tagged w/radioactive I-131. Perf Bone Springs 8942-64' & 8960-66' w/350 sxs Class 'H' cmt w/.6% HALAD 9 & 3 #/sx gilsonite w/2400 psig. Drlg out & tstd sqz w/1000 psig, held ok. Drlg out & retrieved CIBP @ 9380' w/taper tap. Cmt sqzd Strawn perf 11653-718' w/100 sxs Class 'H' cmt w/.4% halad 9 w/4500 psig. Drlg out & tstd sqz w/1000 psig, held ok. Milled out junk on top of RBP & retrieved RBP @ 12,566'. Cmt sqzd Atoka perf w/100 sxs Class 'H' cmt w/.4% halad 9. Drlg out & tstd sqz w/1000 psig, held ok. Frac Morrow 'A' perf 12793-808' w/23,270 gal w/13,500 # 20/40sd & 8600 # 20/40 interprop when well sanded off @ 9600 psig. ISIP - 5050 psig. Avg press 8650, Avg rate 12 BPM. Cleaned out & tstd. Morrow 'A' zone non-commercial.

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

SIGNED [Signature] TITLE Vice-President DATE 8/20/85

ORIGINAL SIGNED BY JERRY SEXTON DATE AUG 27 1985

APPROVED BY [Signature] TITLE [Signature]  
CONDITIONS OF APPROVAL, IF ANY:

Strum 2A 7/2/85

SECRET

AUG 26 1985

100-100000-5