APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT OIL CONSERVATION DIVISION P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 2040 Pacheco St. 30-025-30865 Santa Fe. NM 87505 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 sIndicate Type of Lease STATE FEE DISTRICT III State Oil & Gas Lease No 1000 Rio Brazos Rd., Aztec, NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" General G State (FORM C-101) FOR SUCH PROPOSALS.) Type of Well: GAS WELL OTHER 2Name of Operator «Well No. Titan Resources I, Inc. Address of Operator Pool name or Wildo 500 West Texas, Ste 500, Midland, Texas 79701 4Well Location 525 600 Unit Letter Feet From The Line and Feet From The Line 20S 37E Township Range NMPM Lea County 10 Elevation (Show whether DF, RKB, RT, GR, etc. 3525' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON PERFORM REMEDIAL WORK REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ANBANDONMEN **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB OTHER: Re-Complete in Blinebry OTHER: 12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. MIRU pulling unit. POH rods & pump. ND WH, NU BOP. POH w/tbg.

Set CIBP @ 6980'. Run GR-CNL 6800' to 5000'. Perf per log results (approximate interval 5590' - 5675') w/1 SPF. RIH w/pkr & tbg. Spot 250 gallons 15% NE-FE acid across perfs. PU & set pkr @ 5400'. Break formation & acidize w/total 4000 gallons 15% NE-FE acid w/ball sealers to ball out. Swab to evaluate. Remainder of progeram to follow based on results. I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE TITLE Engineering Tech DATE 08-04-98 TYPE OR PRINT NAME Shirley Melton TELEPHONE NO. (915)498-8604 (This space for State Use) HOND WILLIAMS

TITLE

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