

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

|                                      |                                                                        |
|--------------------------------------|------------------------------------------------------------------------|
| WELL API NO.                         | 30 025 33028                                                           |
| 5. Indicate Type of Lease            | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.         | B 2656                                                                 |
| 7. Lease Name or Unit Agreement Name | Hardy 36 State                                                         |
| 8. Well No.                          | 21                                                                     |
| 9. Pool name or Wildcat              | Strawn                                                                 |

|                                                                                                                                                                                                                     |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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:<br>Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> OTHER                                                                                                            |  |
| 2. Name of Operator<br>Conoco Inc.                                                                                                                                                                                  |  |
| 3. Address of Operator<br>10 Desta Dr. Ste 100W, Midland, Tx., 79705-4500                                                                                                                                           |  |
| 4. Well Location<br>Unit Letter <u>L</u> <u>1980</u> Feet From The <u>South</u> Line and <u>330</u> Feet From The <u>West</u> Line<br>Section <u>36</u> Township <u>20S</u> Range <u>37E</u> NMPM <u>Lea</u> County |  |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.)<br>3491'                                                                                                                                                         |  |

|                                                                               |                                           |
|-------------------------------------------------------------------------------|-------------------------------------------|
| 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"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>                                  | CHANGE PLANS <input type="checkbox"/>     |
| PULL OR ALTER CASING <input type="checkbox"/>                                 | OTHER <input type="checkbox"/>            |
| OTHER: <u>Recomplete to Strawn</u> <input checked="" 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.)

10-1-97: Move in reverse unit, pull out of hole w/rods & pump, pull out of hole w/2 7/8" tubing.  
10-2-97: Set RBP @ 7880', perforate Strawn 7708-7734' w/4 SPF, rig down wireline.  
10-6-97: Frac w/2000 gals 20%HCL, 510 bbls 30 quality HCL and 170 bbls 30 quality gelled HCL, flush w/slick water. Flow-back.  
10-8-97: Total fluid recovered in 43 hours - 714 bbls oil, 221 bbls water, SION.  
10-9-97: Circulate wellbore.  
10-10-97: Go in hole with 2 7/8" tubing, SN @ 7558', sub @ 7576', turn well to battery w/choke on 30/64", tubing pressure 400#.

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

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 10-21-97

TYPE OR PRINT NAME Ann E. Ritchie TELEPHONE NO. 915 684-6381

(this space for State Use)

APPROVED BY ORIGINAL SIGNED BY CHRIS WILLIAMS TITLE DISTRICT I SUPERVISOR DATE 10-21-97

CONDITIONS OF APPROVAL, IF ANY