

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

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| WELL API NO. | 30-025-33837 |
| 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 | M & M |
| 8. Well No. | 1 |
| 9. Pool name or Wildcat | Blinebry / Warren Tubb |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) | 3559 GR |

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.)

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| 1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | 2. Name of Operator Collins & Ware, Inc. |
| 3. Address of Operator 508 West Wall, Suite 1200, Midland, Texas 79701 | 4. Well Location Unit Letter E : 1980 Feet From The North Line and 660 Feet From The West Line Section 24 Township 20S Range 38E NMPM Lea County |

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| 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data | 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. |
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NOTICE OF INTENTION TO:

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|--|---|
| 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"/> |

SUBSEQUENT REPORT OF:

| | |
|---|--|
| REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| CASING TEST AND CEMENT JOB <input type="checkbox"/> | OTHER: Prepare to downhole commingle <input checked="" type="checkbox"/> |

- 12/01/97 Release RBP at 6300' and pull out of hole. Set 5 1/2" Baker Retrieve - A - D packer at 6450'. Run 2 1/16" tubing to 6463' to produce from the Warren Tubb zone.
- 12/02/97 Run 2 1/16" tubing to 5949' for Blinebry zone production.
- 12/03/97 Start producing from both zones. The gas is metered separately and the Blinebry oil is currently being produced to a frac tank until we receive back an approved permit to surface commingle.

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

SIGNATURE Dianne Sumrall TITLE Production Supervisor DATE 12/16/97
TYPE OR PRINT NAME Dianne Sumrall TELEPHONE NO. (915)687-3435

(This space for State Use)

APPROVED BY [Signature] TITLE [Title] DATE [Date]

CONDITIONS OF APPROVAL, IF ANY