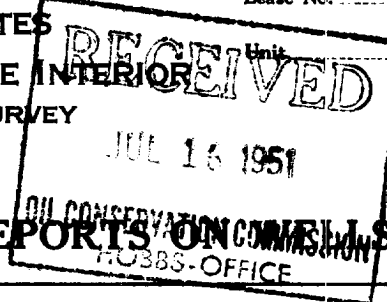


(SUBMIT IN TRIPLICATE)

Land Office Las CrucesLease No. 032099 (a)Unit N.M.F.U.**DUPLICATE**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**SUNDRY NOTICES AND REPORTS ON COMPLETION**

NOTICE OF INTENTION TO DRILL.....	SUBSEQUENT REPORT OF WATER SHUT-OFF.....
NOTICE OF INTENTION TO CHANGE PLANS.....	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....	SUBSEQUENT REPORT OF ALTERING CASING.....
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....	<input checked="" type="checkbox"/> SUBSEQUENT REPORT OF REDRILLING OR REPAIR.....
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....	SUBSEQUENT REPORT OF ABANDONMENT.....
NOTICE OF INTENTION TO PULL OR ALTER CASING.....	SUPPLEMENTARY WELL HISTORY.....
NOTICE OF INTENTION TO ABANDON WELL.....	

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Lockhart A-16 No. 3Hobbs, New Mexico July 13, 19 51Well No. 3 is located 1980 ft. from NEX line and 1980 ft. from EDX line of sec. 18SW/4 Sec. 18
(1/4 Sec. and Sec. No.)21-S
(Twp.)36-E
(Range)N.M.P.M.
(Meridian)Unice
(Field)Lee
(County or Subdivision)New Mexico
(State or Territory)The elevation of the derrick floor above sea level is 3636 ft.**DETAILS OF WORK**

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

The subject well has been shut in since Jan. 1, 1950, due to flooding out of the Grayburg formation, with a daily production of 50 bbls. water, no oil. As no additional remedial work can be accomplished to obtain additional oil production from the Grayburg, it is proposed to plugback and recomplete in the Yates formation.

In January 1948 a liner was installed from 3736 to 4048' and cemented with 60 sacks. The interval from 3892 to 4045' was selectively perforated, tested, and each interval squeezed with cement. Completion was made thru perforations from 3860 to 3885'. As this interval is now flooded out, it is proposed to set a retainer above these perforations and squeeze below with 50 sacks cement; then selectively perforate and test the Yates formation from 3150 to 3300' to recomplete as a gas well.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Continental Oil CompanyAddress Box 60Hobbs, New MexicoBy E. L. ShaperTitle District Superintendent

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