

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

WELL API NO.	30 025 26804
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	180387

7. Lease Name or Unit Agreement Name:	McQuatters Com
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7. Well No.	4
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8. Pool name or Wildcat	Hardy Blinebry
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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. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Finley Resources, Inc.	
3. Address of Operator 1308 Lake St., Fort Worth, Texas 76102	

4. Well Location Unit Letter <u>G</u> : <u>1650</u> feet from the <u>North</u> line and <u>2310</u> feet from the <u>East</u> line Section <u>11</u> Township <u>21S</u> Range <u>36E</u> NMPM County <u>Lea</u>	
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10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3565' KB
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11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: 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"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Downhole Commingling <input checked="" 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: <input 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.
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See attached additional page for description.

DI DHC Order No. CC13
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE James L. Nance TITLE Production & Operations Engineer DATE 2/9/2001

Type or print name James L. Nance Telephone No. (817) 336-1924 x27
(This space for State use)

APPROVED BY _____ TITLE _____ DATE 2/9/2001
Conditions of approval, if any:

5
C

C-103, Item 12 Continued:

Division Order R-11363. Proposal to commingle Hardy Blinebry (29710) with Hardy Tubb-Drinkard (29760) and Oil Center Glorietta (47970). Proposed Operations: **2/15/2001** Rig up WO unit. Pull rods, pump & tubing. Perforate Tubb-Drinkard intervals: 6854-58', 6846-50', 6836-44', 6506-14', 6482-92'. Set packer @ 6400'. Frac treat Drinkard interval 6482-6858' OA w/ 1500 gal 15% HCL and 1500 bbls of slick water. Flow test Drinkard interval. Set retr. Bridge plug @ 6400'. Test bridge plug, casing & tubing to 1000 psig. Perforate Blinebry interval w/ 1 shot per foot 5837-45', 5808-16', 5791-99', 5762-70', 5744-52', 5728-36'. Frac treat Blinebry interval w/ 1500 gals 15% HCL acid and 1500 bbls of slick water. Flow test Blinebry interval. Run rods & pump for extended test. Submit Blinebry test for clearance to remove packer & retr bridge plug to commingle zones. Upon resubmitted C-103 approval, pull treating packer & bridge plug. Set 2 3/8" production tubing (mud anchor, SN, tubing anchor) w/ end of tubing @ 6800'. Run rods & pump, return to production as 3 zone commingle.

Current Perforations:

Oil Center Glorietta (47970) perforations 5209-98' OA

Hardy Tubb-Drinkard (29760) Perforations 6563-6767' OA

Proposed Perforation:

Oil Center Glorietta (47970) perforations 5209-98' OA

Hardy Blinebry (29710) perforations 5728-5845' OA

Hardy Tubb-Drinkard (29760) Perforations 6482-6858' OA

The current allocation between Glorietta and Tubb-Drinkard is as follows: Glorietta 67% / Tubb-Drinkard 33%. 30 day test from November, 2000 produced 109 bo, 728 mcfg or 3.6 bopd, 24.3 mcfgpd. Allocating each zone: Glorietta produced 2.4 bopd, 16.2 mcfgpd, Tubb-Drinkard produced 1.2 bopd, 8.1 mcfgpd. A separate production test will be conducted in the Blinebry zone prior to commingling. Using an estimated production rate for the Blinebry of 25 bopd, 100 mcfgpd, total commingled production would be allocated as follows:

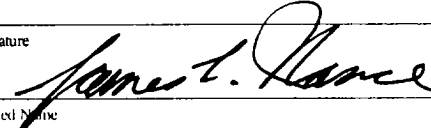
Glorietta	2.4 bopd, 16.2 mcfgpd	5.1 boepd	10.3%
Tubb-Drinkard	1.2 bopd, 8.1 mcfgpd	2.6 boepd	5.3%
Blinebry	25 bopd, 100 mcfgpd	41.7 boepd	84.4%
<hr/>			
Total	28.6 bopd, 124.3 mcfgpd	49.4 boepd	100%

Working and Revenue interest in each of the intervals above is common and no disparity exists by depth. Since the production is artificially lifted by rod pump, each interval will be able to reach the wellbore and no waste or loss is anticipated by this combined producing activity.

DI DHC Order No. 0013

5-1-02

2040 South Pacheco, Santa Fe, NM 87505

<p>16</p>				<p>17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p>
		<p>4 • Glorietta/ Tubb-Drinkard</p>	<p>5 • Blinebry (C-103 app to commingle w/Tubb-Drinkard)</p>	<p>Signature  Printed Name James L. Nance Title Production & Operations Engineer Date 1/19/2001</p>
		<p>120 gross acres</p>		<p>18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p>
	<p>* Eunice Monument completions overlie this acreage. No other Blinebry, Tubb-Drinkard or Glorietta in subject 40 acres.</p>			<p>Date of Survey Signature and Seal of Professional Surveyor: Certificate Number</p>

McQuatters #4

1650' FNL, 2310' FEL, Unit G, Sec 11

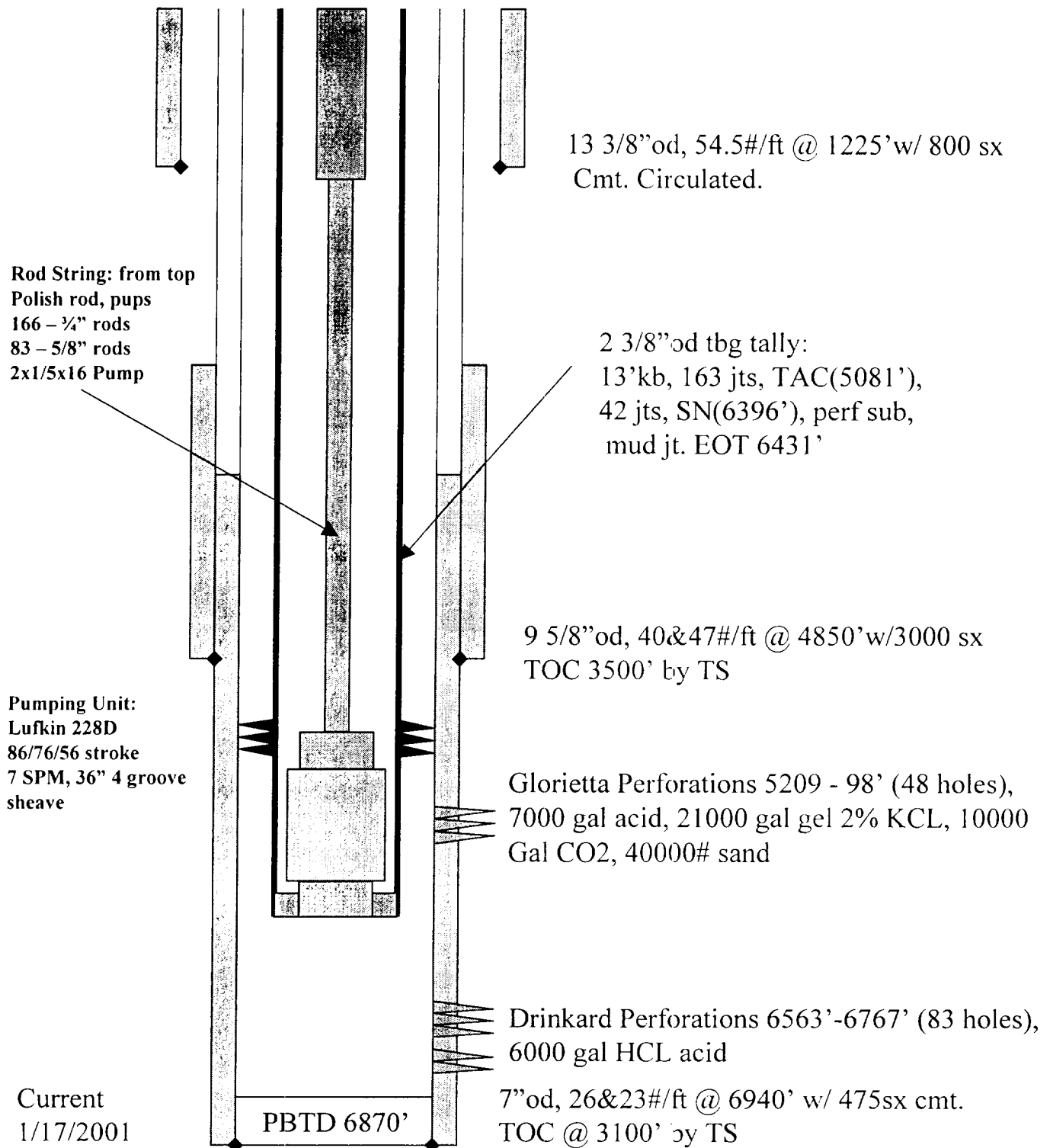
T21N, R36E Lea Co., NM

Hardy/Oil Center Fields completion Date: 8/20/80

KB 3565' (16' to GL)

API # 30 025 26804

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