<u>DISTRICT |</u> P.O. Box 1980, Hobbs, NM 88240 OIL CONSERVATION DIVISION WELL API NO. 2040 Pacheco St. 30-025-35283 Santa Fe, NM 87505 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 sindicate Type of Lease FEE X STATE DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 State Oil & Gas Lease No. 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" rLease Name or Unit Agreement Name (FORM C-101) FOR SUCH PROPOSALS.) Merchant, 8700 JV-P Type of Well: GAS WELL WETT \_ OTHER »Name of Operator BTA OIL PRODUCERS «Well No. OGRID #003002 Address of Operator Pool name or Wildcat 104 SOUTH PECOS MIDLAND, TX 79701 Wilson, (Morrow) Gas 4Well Location 660 Unit Letter North Feet From The 660 Line and West Feet From The Line Section 24 218 **Township** Range 34E **NMPM** Lea County oElevation (Show whether DF, RKB, RT, GR, etc.) 3662' GR 11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ANBANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB OTHER: OTHER: Drilling ahead 12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed CONTRACTOR: TMBR/Sharp Drilling, Inc. - Rig #28 02/05/01 Depth 12,358'. Drilling 6-1/8" hole in shale & sand.

I hereby certify that the information allowe is true and complete to the best of my knowledge and belief.			
SIGNATURE SOM MANUELLE	TITLE	Regulatory Administrator	DATE 02-05-01
TYPE OR PRINT NAME Pam Inskeep			TELEPHONE NO. (915) 682-3753
(This space for State Use)			1010/010/0227
APPROVED BY	_ TITLE		DATE
CONDITIONS OF APPROVAL, IF ANY:		<b>♥</b> "	