Submit 3 Copies State of New Mexico Form C-103 to Appropriate Revised 1-1-89 Energy, Minerals and Natural Resources Department District Office **DISTRICT I** OIL CONSERVATION DIVISION P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 2040 Pacheco St. 30-025-35365 Santa Fe, NM 87505 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 sIndicate Type of Lease STATE FFF «State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) E. C. Hill "C" Type of Well: GAS WELL OIL X OTHER 2Name of Operator «Well No. Arch Petroleum Inc. Address of Operator Pool name or Wildcat Teague - Simpson O. Box 10340, Midland, TX 79702-7340 **₄Well Location** : 1950 Feet From The South 990 West Feet From The Line 27 235 37E Lea Section Township Range NMPM County «Elevation (Show whether DF, RKB, RT, GR, etc.) 3289' Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON PERFORM REMEDIAL WORK REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. XX PLUG AND ANBANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB OTHER: OTHER: 12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. Spud & Set Surface Csg - MIRU Patterson #54. Spud well @ 18:30 hrs 08/13/02. Drld 17-1/2" hole to 1110'. TD reached @ 20:15 hrs 08/14/02. Ran 25 its 13-3/8" 54.5# & 48# J-55 & H-40 ST&C csg. BJ cmt'd w/ 1000 sks "C" 65:35 Poz @ 12.8 ppg followed by 200 sks Cl "C" + 2% CaCl2 @ 14.8 ppg. Plug down @ 04:45 hrs 08/15/02. Circ 290 sks to surface. WOC 24 hrs. Make cut-off. Weld on WH. NU BOP's & test ok. Intermediate Csg - Drld 8-1/2" hole to 7750'. TD reached @ 04:45 hrs 08/28/02. Ran 184 jts 7" 26# L-80 LT&C csg. BJ cmt'd 1st stage w/ 175 sks CI "C" - .01 GPS FP-6L + 1.0% FL25 + .5% CD32 + 12# LCM-1 + .1% SMS @ 14.0 ppg. Cmt'd

Intermediate Csg – Drld 8-1/2" hole to 7750'. TD reached @ 04:45 hrs 08/28/02. Ran 184 jts 7" 26# L-80 LT&C csg. BJ cmt'd 1st stage w/ 175 sks Cl "C" - .01 GPS FP-6L + 1.0% FL25 + .5% CD32 + 12# LCM-1 + .1% SMS @ 14.0 ppg. Cmt'd 2nd stage w/ 700 sks Cl "C" - .01 GPS FP-6L + 1.0% FL25 + .5% CD32 + 12# LCM-1 + .1% SMS @ 14.0 ppg. Cmt'd 3nd stage w/ 2900 sks "C" Modified = .01 GPS FP-6L + 3% salt + .65% CD32 + .8% BA-10 + .3% SMS @ 13.2 ppg followed by 100 sks Cl "C" - .01 GPD FP-6L + 1% CaCl2 @ 14.8 ppg. Had no returns during cmt job. WOC 44 hrs. Make cut-off. Install WH. NU BOP's & test ok.

TD & Production Csg – Drld 6-1/8" hole to 8642'. Ran CBL. TOC @ 7500'. Cont drilling 6-1/8" hole to 9580'. TD reached @ 20:30 hrs 09/07/02. Logged well w/ Baker Atlas. Ran 5" liner. BOL @ 9575. TOL @ 7552. Cmt liner w/ 600 sks CI "H" + .5% FL52 + .3% CD32 + .1% R3 @ 15.7 ppg. Plug down @ 16:00 hrs 09/09/02. Sqz 7" csg from 9/23/02-10/30/02 w/ 10,480 sks cmt. Cmt circulated.

| (This space for State Use) APPROVED BY | HIGHNAL SIGNED BY TIME PART F KARTZ PETROLEUM ENGINEER | DEC 1 9 2002 |
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| TYPE OR PRINT NAME Cathy Tomberlin | (915)685-8100 | TELEPHONE NO. |
| SIGNATURE CATHY Imber | τπιε Sr. Operation Tech | DATE 12/02/02 |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. | | |