

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-20254
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 EAST SHUGART UNIT
8. Well Number 32
9. OGRID Number 228051
10. Pool name or Wildcat Shugart (Y-SR-QN-GB)

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 ☐ Gas Well ☐ Other Injection Well

2. Name of Operator

AMERICO ENERGY RESOURCES, LLC

3. Address of Operator

7575 San Felipe, Suite 200, Houston, Tx. 77063

4. Well Location

Unit Letter M : 330 feet from the South line and 2310 feet from the West line
Section 34 Township 18 South Range 31 East NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
GL 3643

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. 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.

1. MIRU WOR, R/U slick line, set plug in Profile nipple on pkr.
2. Attempt to test Tbing to 2000 psi, release on/off, n/u BOP, POH w/star F.G Tbing. Laying down. Repair and test on/off tool
3. RIH w/on/off tool, Replacement injection tubing N/D BOP, N/U wellhead.
4. Circ Pkr fluid, N/D well head, Latch on to pkr, Test tbing to 2000psi, N/U well head, Test casing to 550psi, R/U slick line Trk. Fish plug from profile nipple,
5. R/D slick line Trk. RDWOR
6. Return well to production

(Will call OCD for MIT – before returning to injection)

Spud Date:

Rig Release Date:

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

SIGNATURE Ehsan Bayat TITLE Regulatory Analyst DATE 9/16/2009

Type or print name Ehsan Bayat E-mail address: ehsan.bayat@americoenergy.com PHONE: 713-984-9700

For State Use Only

APPROVED BY ADade TITLE District II Supervisor DATE 9/29/2009

Conditions of Approval (if any):