

Submit 1 Copy 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
October 13, 2009

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

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.)		WELL API NO. 30-031-05208
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐		5. Indicate Type of Lease STATE ☐ FEE ☒
2. Name of Operator Nacogdoches Oil & Gas Inc.		6. State Oil & Gas Lease No.
3. Address of Operator PO Box 642418, Nacogdoches, Texas		7. Lease Name or Unit Agreement Name Hospah Sand Unit
4. Well Location Unit Letter _____ feet from the _____ line and _____ feet from the _____ line Section 36 Township 18N Range 9W County McKinley		8. Well Number 10
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7031		9. OGRID Number
		10. Pool name or Wildcat Hospah

12. 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 ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: ☐	Drill Laterals ☐	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 19.15.7.14-NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion:

Nacogdoches Oil & Gas plans to re-enter the HSU #10 and drill 5,600'-2" 90 degree Laterals at 155 degrees, 90 degrees, 200 degrees, 235 degrees, 45 degrees into the Upper Hospah Sand. The Depth will be determined by Gamma Ray Neutron Log to be run upon Sundry approval.

Approved For High Pressure Water
Perforation And Directional
Completion
This Is Not A Drilling Operation

RCVD FEB 24 '10
OIL CONS. DIV.
DIST. 3

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 Mike Allen TITLE VP E&P DATE 1-25-2010

Type or print name Mike Allen E-mail address: mike.allen@nmtx.com PHONE: 918-260-7620
For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector DATE FEB 25 2010
Conditions of Approval (if any): District #3