

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 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

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| WELL API NO. 30-025-36385 |
| 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: Bourdon |
| 8. Well No. 2 |
| 9. Pool name or Wildcat D-K; ABO |

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

2. Name of Operator Xeric Oil & Gas Corporation

3. Address of Operator P. O. Box 352
 Midland, TX 79702

4. Well Location
 Unit Letter P : 660 feet from the South line and 660 feet from the East line
 Section 18 Township 20S Range 39E NMPM Lea County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 GR 3526

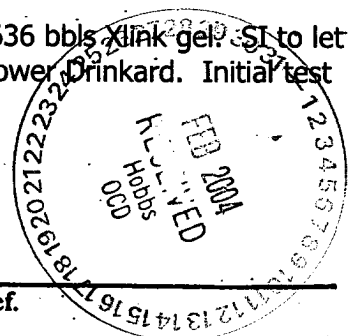
11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| | |
|---|---|
| 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: <input 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: TA Abo & Test Drinkard <input checked="" 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 recompilation.

12/8/03 MIRU Pulling Unit. Pull rods & pump. Install BOP. Release TAC & POH w/tbg. MIRU wireline. Set CIBP @ 7,240' to isolate Abo formation. Perf Drinkard with 2 spf from 6980'-6986', 6996'-7012', 7020'-7030', total 27 holes. Set Packer @ 6,883'. Swab tbg dry. RU BJ Services & acidize perfs w/2500 gals 15% NEFE. Swab well.

12/9/03. POOH w/packer. Frac dn 5 1/2" csg w/115,500# 16/30 Ottawa Sand + 1636 bbls Xlink gel. ST to let gel break. Clean hole to 7240'. RIH w/production equipment and test Lower Drinkard. Initial test 88 BO, 100 MCF, 50 BW.



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

SIGNATURE Angie Crawford TITLE Production Analyst DATE 1/23/04
 Type or print name Angie Crawford ACrawford@xericoil.com Telephone No. 432-683-3171

(This space for State use)

APPROVED BY Paul [Signature] TITLE PETROLEUM ENGINEER DATE MAR 08 2004
 Conditions of approval, if any:

2A OK Abo