

Office

Energy, Minerals and Natural Resources

Revised August 1, 2011

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87414

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM

87505

HOBBS OCD

OIL CONSERVATION DIVISION

JAN 29 2014

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

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

State of New Mexico formerly Xeric Oil & Gas Corp

3. Address of Operator

1625 N French Drive Hobbs, NM 88240

4. Well Location

Unit Letter F : 2332 feet from the N line and 1650 feet from the W lineSection 3 Township 20S Range 35E NMPM Lea County

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

WELL API NO.

30-025-03316

5. Indicate Type of Lease

STATE

FEE

XX

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

South Pearl Queen Unit

8. Well Number 007

9. OGRID Number

25482

10. Pool name or Wildcat

Pearl Queen

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐

P AND A XX

CASING/CEMENT JOB ☐OTHER: ☐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.

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JAN 29 2014

SEE ATTACHMENT

RECEIVED

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

SIGNATURE _____ TITLE _____ DATE _____

Type or print name _____ E-mail address: _____ PHONE: _____

For State Use Only

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 1/29/2014

Conditions of Approval (if any):

JAN 29 2014

South Pearl Queen Unit #7

01/016/2014

Cleared location. Moved in rigged up. Dug out cellar.

01/17/2014

Installed BOP and worked to get packer loose. Packer would not release. Tried to pump down tubing. Pressured up to 500# and bled off while increasing water flow up the casing. Rigged up wireline and worked to 4660' with sinker bar. Tools got hung up in the tubing @ 3184' while tripping out of the hole with the wireline. Attempted to work free until pulling out of rope socket. Left tools in the hole at 3184'. Reheaded rope socket and SION. Called into OCD.

01/21/2014

RIH with wire line to back off tubing and sat down at 3090', collar at 3062'. Called OCD. Backed off collar at 3062' and laid down 99 jts IPC tubing. RIH with workstring and circulated hole with mud and spotted 25 sx cement at 3062'. POOH closed BOP and pressured up to 500#. SION. Will tag in the morning.

01/22/2014

RIH and tagged @ 2603'. Perforated at 1850'. Squeezed perfs at 1850 with 25 sx class c cement. WOC and tagged at 1821'. Spotted 25 sx cement at 1821' and SION.

01/23/2014

RIH and tagged cement at 1463'. Laid down remaining tubing and perforated at 250'. Pumped cement down 4 ½" casing to perfs at 250' and up annulus to surface. Took 85 sx.

01/24/2014

Rigged down and cleaned pit. Cut off wellhead, installed marker, and cut off anchors.