Submit 1 Copy To Appropriate District State of New Mexico Form C-103 Office Revised August 1, 2011 Energy, Minerals and Natural Resources District I - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 30-025-03342 District III - (505) 334-6178 1220 South St. Francis Dr. 5. Indicate Type of Lease 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 STATE **FEE** District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 6. State Oil & Gas Lease No. 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A South Pearl Queen Unit DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 21 1. Type of Well: Oil Well Gas Well Other Injection 2. Name of Operator 9. OGRID Number Bureau of Land Management formerly Xeric Oil & Gas Corp 25482 3. Address of Operator Plugged by NMOCD 10. Pool name or Wildcat 1625 N. French Drive Hobbs, NM 88240 Pearl Queen 4. Well Location Unit Letter :__330_____feet from the North line and _660___feet from the _ West line 10 **20S** Section Township Range 35E **NMPM** Lea County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: REMEDIAL WORK PERFORM REMEDIAL WORK PLUG AND ABANDON **ALTERING CASING TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS.□ П P AND A XX PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB DOWNHOLE COMMINGLE 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. HOBBS SEE ATTACHED MAY 1 9 2016 RECEIVED I hereby certify that the information above is true and complete to the best of my knowledge and belief. Type or print name Mark Whitaker PHONE: 393-616 E-mail address: For State Use Only

Conditions of Approval (if any

Plugging Report SPQU #21 Latitude 32.5940868222 Longitude -103.451629236

5/10/2016 Moved in and start rigging up. Mouse hole collapsed under the rig. Moved rig away from wellhead. Filled hole and set large matting board. Rigged up. Moved in remaining equipment. Installed BOP and unset packer. Started OOH with tubing. Packer started swabbing fluid up the casing. Rigged up vacuum truck on casing. POOH with 124 joints of 2 3/8" tubing and 4 ½" AD-1 packer. Picked up bit and scrapper. RIH with tubing from the well and started picking up work string from the # 29 well. Tagged hard at 3978'. Circulated 10 bbls and turned on the bit. Could not rotate with any weight on the bit. Made no hole. Called OCD. Closed casing and BOP. Pressured up to 600# and fell to 300 in 5 minutes. Pressured up again to 600 # and fell to 250# in 15 minutes. Circulated MLF and spotted 25 sx cement on top of fish at 3978'. POOH and SION. Will tag in the morning.

5/11/2016 RIH and tagged cement at 3733'. Closed BOP and tested casing to 500#. Held good. POOH and RIH to perforate at 3550'. Could not get past 3290' with perforating tools. POOH and RIH with sinker bar. Got to 3310'. Consulted OCD representative on location. RIH with tubing and spotted 25 sx cement from 3585'. ETOC @ 3223'. Perforated casing at 1950'. Could pump into perfs but they would charge up and hold pressure. RIH with tubing and spotted 25 sx cement from 1953'. POOH 15 stands and closed BOP. Established circulation and closed casing valve. Pushed cement into perfs with 2 bbls water. Shut in pressure was 600#. SION. Will tag in the morning.

5/12/2016 RIH and tagged cement at 1843'. Perforated casing at 263'. Established circulation. Pumped cement down 4 ½" casing to perfs at 263' and up annulus to surface. Took 85 sx cement. Rigged down and cut off wellhead. Filled up both strings of casing with 10 sx cement and installed marker. Cleaned pit and cleared location.