

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-025-34621
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No. A-1375-45

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)</p>	
Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	Lease Name or Unit Agreement Name Lisa State
Name of Operator Xeric Oil & Gas Corporation	Well No. 2
Address of Operator P.O. Box 352, Midland, Texas 79702	Pool name or Wildcat Eumont Y-SR-Q
Well Location Unit Letter <u>B</u> : <u>660</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>19</u> Township <u>20S</u> Range <u>36E</u> NMPM <u>Lea</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 3634' GR	

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ANBANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Completion Attempts</u> <input checked="" type="checkbox"/>	

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.

6/19/99 - Begin Completion - Perforate Seven Rivers from 4050' - 4070' w/ 2 spf - total 43 holes -0.36" dia. Acidize w/ 2000 gals 7 1/2% NEFE + 20% MEOH - swab dry w/ no shows of oil or gas

6/24/99 - Frac Seven Rivers Formation w/ 8500 gals Xlink gel + 70Q Nitrogen Foam + 50,000# 16/30 Ottawa sand - SWI 4 hrs then flow back

6/28/99 - No shows of oil w/ trace of gas - abandon Seven Rivers Perfs from 4050'-4070' w/ CIBP set @ 4025' - Perforate Upper Seven Rivers from 3965'-3985' w/ 2 spf - total 40 holes - acidize w/ 1000 gals 7 1/2% NEFE + 20% MEOH - swab back w/ trace oil show & good gas show

6/30/99 - Frac well w/ 10,500 gals Xlink gel + 70Q Nitrogen Foam + 56,000# 16/30 Jordan Sand - SWI 4 hrs then flow back - good volume of gas w/ no oil shows - estimate 300 BWPD

7/14/99 - Decide to run rods & pump in an attempt to pump off water - currently testing @ 0 BOPD + 165 BWPD + 45 MCFD

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

SIGNATURE Michael G. Mooney TITLE Consulting Engineer DATE 07-27-99

TYPE OR PRINT NAME Michael G. Mooney TELEPHONE NO. 915/683-3171

(This space for State Use)

ORIGINAL SIGNED BY CHRIS WILLIAMS  
DISTRICT I SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 8/6/99

CONDITIONS OF APPROVAL, IF ANY: