

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

WELL API NO. 30-025-35491
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: Cain
8. Well No. #3
9. Pool name or Wildcat Nadine: Drinkard-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 L : 1980 feet from the South line and 330 feet from the West line
 Section 14 Township 19S Range 38E NMPM Lea County

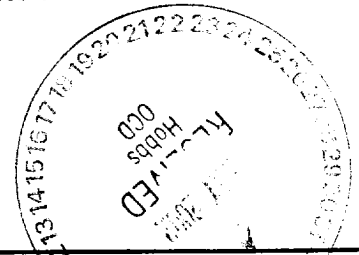
10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3604 GR

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input checked="" 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: <input type="checkbox"/>
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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.

Well went from producing 100% oil to 100% water. Water analysis indicates communication from strawn formation. Test CIBP. Locate and eliminate communication.



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 5/1/02
 Type or print name Angie Crawford Telephone No. 915-683-3171
 (This space for State use)

APPROVED BY _____ TITLE _____ ORIGINAL SIGNED BY PAUL F. KAUTZ DATE MAY 06 2002
 Conditions of approval, if any: _____ PETROLEUM ENGINEER

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