

Submit 3 Copies To Appropriate District Office
District I
 1625 N. French Dr., Hobbs, NM 88240
District II
 1301 W. Grand Ave., Artesia, NM 88210
District III
 1000 Rio Brazos Rd., Aztec, NM 87410
District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-34027
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO5751-1
7. Lease Name or Unit Agreement Name Midnight 13 State Com
8. Well Number 1
9. OGRID Number 158898
10. Pool name or Wildcat Pecos River; Morrow 97375

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Ameristate Exploration, LLC	
3. Address of Operator 111 Congress Ave, Suite 2700, Austin, Texas 78701	
4. Well Location Unit Letter D: 660 feet from the North line and 950 feet from the West line Section 13 Township 16-S Range 26-E NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,387' GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. 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 COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

NOTE TO FILE:

- 1) This is the ^{fourth} report submitted by Ameristate Exploration as successor operator to V-F Petroleum.
- 2) Ameristate is actively pursuing procurement of a rig capable of drilling to total depth.
- 3) Ameristate has paid state rental extending lease from April 1, 2006 – April 1, 2007.

(SEE ATTACHED FOR WORK DESCRIPTION)

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Michael Arguijo TITLE Vice President – Operations DATE March 28, 2006

Type or print name: Michael Arguijo E-mail address: m.arguijo@mdtrn.com Telephone No.: 512.391.0300

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE MAR 29 2006

Conditions of Approval (if any):

ATTACHED TO THAT C-103 FORM DATED MARCH 28, 2006, FOR THE AMERISTATE EXPLORATION, LLC, MIDNIGHT 13 STATE COM NO. 1 WELL, EDDY COUNTY, NEW MEXICO.

03/31/05 MI Auger Air Drilling & Mfg., Inc., drilling machine. Spud well 11:30 p.m. 03/31/05. Continued drilling conductor hole past midnight. Drilled to depth of 20'. RD Auger Air. WORT.

04/18/05 MI Auger Air drlg machine. Resumed drlg 5:00 p.m. MST. Deepened hole from depth of 20' to 25'. RD Auger Air. WORT.

05/06/05 MI Auger Air drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 25' to 30'. RD Auger Air. WORT.

05/24/05 MI Auger Air drlg machine. Resumed drlg 8:30 p.m. MST. Deepened hole from depth of 30' to 35'. RD Auger Air. WORT.

06/11/05 MI Auger Air drlg machine. Resumed drlg 2:00 p.m. MST. Deepened hole from depth of 35' to 40'. RD Auger Air. WORT.

06/29/05 MI Auger Air drlg machine. Resumed drlg 4:30 p.m. MST. Deepened hole from depth of 40' to 45'. RD Auger Air. WORT.

07/17/05 MI Auger Air drlg machine. Resumed drlg 6:30 p.m. MST. Deepened hole from depth of 45' to 50'. RD Auger Air. WORT.

08/05/05 MI Auger Air drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 50' to 52'. RD Auger Air. WORT.

08/23/05 MI Auger Air drlg machine. Resumed drlg 1:00 p.m. MST. Deepened hole from depth of 52' to 54'. RD Auger Air. WORT.

09/10/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 54' to 56'. RD Ace Rat Hole. WORT.

09/28/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 4:30 p.m. MST. Deepened hole from depth of 56' to 58'. RD Ace Rat Hole. WORT.

10/17/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 58' to 60'. RD Ace Rat Hole. WORT.

11/03/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 11:00 a.m. MST. Deepened hole from depth of 60' to 62'. RD Ace Rat Hole. WORT.

11/21/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 11:30 a.m. MST. Deepened hole from depth of 62' to 64'. RD Ace Rat Hole. WORT.

12/09/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 2:00 p.m. MST. Deepened hole from depth of 64' to 66'. RD Ace Rat Hole. WORT.

12/27/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 12:45 p.m. MST. Deepened hole from depth of 66' to 68'. RD Ace Rat Hole. WORT.

01/13/06 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 9:45 a.m. MST. Deepened hole from depth of 68' to 70'. RD Ace Rat Hole. WORT.

01/31/06 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 10 a.m. MST. Deepened hole from depth of 70' to 72'. RD Ace Rat Hole. WORT.

02/18/06 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 4 p.m. MST. Deepened hole from depth of 72' to 74'. RD Ace Rat Hole. WORT.

03/08/06 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 9:45 a.m. MST. Deepened hole from depth of 74' to 76'. RD Ace Rat Hole. WORT.

03/26/06 MI Ace Rat Hole Service, Inc., drlg. Machine. Resumed drlg 10:30 a.m. MST. Deepened hole from depth of 76' to 78". RD Ace Rat Hole. WORT.