

Submit 1 Copy 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
 October 13, 2009

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

WELL API NO. 30-031-05148
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 Santa Fe
8. Well Number 02
9. OGRID Number 256689
10. Pool name or Wildcat Hospah
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6903' GR 6908' KB

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
Nacogdoches Oil & Gas Inc.

3. Address of Operator
PO Box 23418 Nacogdoches TX. 75963

4. Well Location
 Unit Letter **A** : **660'** feet from the **North** line and **660'** feet from the **East** line
 Section **7** Township **17N** Range **8W** NMPM **McKinley** County

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"/> DOWNHOLE COMMINGLE <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"/> P AND A <input checked="" 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

At the OCD Aztec office request, NOG re-entered the Santa Fe #02 wellbore to determine if the wellbore was properly plugged.

- 12-16-10 -NOG Rig 10, MIRU, RIH with 2 3/8" workstring with tri-cone bit to 27', hit mud, drilled/circulated to 33'. Hit Wood. POOH with bit. Replaced tri-cone with 2" flare bit. RIH with workstring, drilled wood up, POOH, found 2" nipple Stuck inside bit. RIH with workstring and tri-cone bit, hit cement @ 36'. Drill to 55'. SDFN.
- 12-17-10- Continue drilling cement to 217', hit steel, could not drill any deeper. Permission granted from OCD to plug wellbore.
- 12-21-10- RIH with 7 jts of 2 3/8" workstring, mix & pump 25 sks, 15.4 ppg, Portland, fill wellbore to surface. SDFN to allow Cement to setup.
- 12-22-10- Top wellbore off at surface. Place P&A marker on wellbore. Level location.

RCUD DEC 29 '10
 OIL CONS. DIV.
 DIST. 3

Approved for plugging of wellbore only.
 Liability under bond is retained pending
 Receipt of C-103 (Subsequent Report of Well
 Plugging) which may be found @ OCD web page
 under forms.
www.emnrd.state.us/oed

Spud Date:

[Empty box for Spud Date]

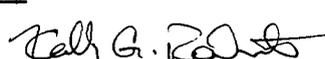
[Empty box]

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

SIGNATURE  TITLE VP E&P DATE 12-27-2010

Type or print name Mike Allen E-mail address: mike.allen@nogtx.com PHONE: (918)260-7620

For State Use Only

APPROVED BY:  TITLE Deputy District Gas Inspector, District #3 DATE 1-6-11

Conditions of Approval (if any): PNR ONLY

