<u>District I</u> State of New Mexico Form C-103 1625 N. French Dr., Hobbs, NM 88240 Permit31503 Energy, Minerals and Natural Resources Phone:(505) 393-6161 Fax:(505) 393-0720 WELL API NUMBER Oil Conservation Division 1301 W. Grand Ave., Artesia, NM 88210 30-015-34027 Phone:(505) 748-1283 Fax:(505) 748-9720 1220 S. St Francis Dr. **Santa Fe, NM 87505** Indicate Type of Lease 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr., Santa Fe, NM 87505 State Oil & Gas Lease No. Phone:(505) 476-3470 Fax:(505) 476-3462 SUNDRY NOTICES AND REPORTS ON WELLS Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO MIDNIGHT 13 STATE COM A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 001 1. Type of Well:G 9. OGRID Number 2. Name of Operator AMERISTATE EXPLORATION, L.L.C. 158898 3. Address of Operator 10. Pool name or Wildcat. 111 CONGRESS AVE., STE. 2700, AUSTIN, TX 78701 4. Well Location Unit Letter D feet from the line and feet from the Township 16S Range 26E NMPM Eddy County Section 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3387 GR Pit or Below-grade Tank Application or Closure \_\_\_\_ Distance from nearest fresh water well\_\_\_\_ \_\_\_ Distance from nearest surface water\_ Pit. Type \_\_\_\_\_ Depth to Groundwater\_\_\_ 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: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ REMEDIAL WORK ALTER CASING TEMPORARILY ABANDON | CHANGE OF PLANS | COMMENCE DRILLING OPNS. PLUG AND ABANDON PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐ CASING/CEMENT JOB Other: Other: Spud X 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. 6/3/2006 Spudded well. This is the eighth report submitted by Ameristate Exploration as successor operator to V-F Petroleum. Due to a rig delay, the estimated spud date is seven days from date of the form with drilling to continue to TD. Ameristate has paid state rental extending lease from April 2, 2006 to April 1, 2007.

		complete to the best of my knowledge and belief. I furth		
been/will be constructe	d or closed according to NMO:	CD guidelines , a general permit or an (attached) al	itemative OCD-approved plan   .	
SIGNATURE	Electronically Signed	TITLE President	DATE 6/5/2006	- 20
Type or print name Mark Nearburg		E-mail address maryd@ameristate.net	Telephone No. 512-391-0300	
For State Use Only:			NSO 1	
APPROVED BY	Bryan Arrant	TITLE Geologist	DATE <u>6/8/2</u> 006	