

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. 30-031-02381 05559
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 Hospah Sand Unit
8. Well Number #63
9. OGRID Number 256689
10. Pool name or Wildcat Hospah
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7073' GR

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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Nacogdoches Oil & Gas Inc.	
3. Address of Operator 816 North Street, Nacogdoches Tx. 75963	
4. Well Location Unit Letter F : 1980' feet from the North line and 2310' feet from the West line Section 36 Township 18N Range 9W NMPM McKinley County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7073' GR	

12. 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 checked="" 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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Please see the attached plugging procedure.

RCVD DEC 14'11
OIL CONS. DIV.
DIST. 3

Spud Date:


Rig Release Date:

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: 12-12-11

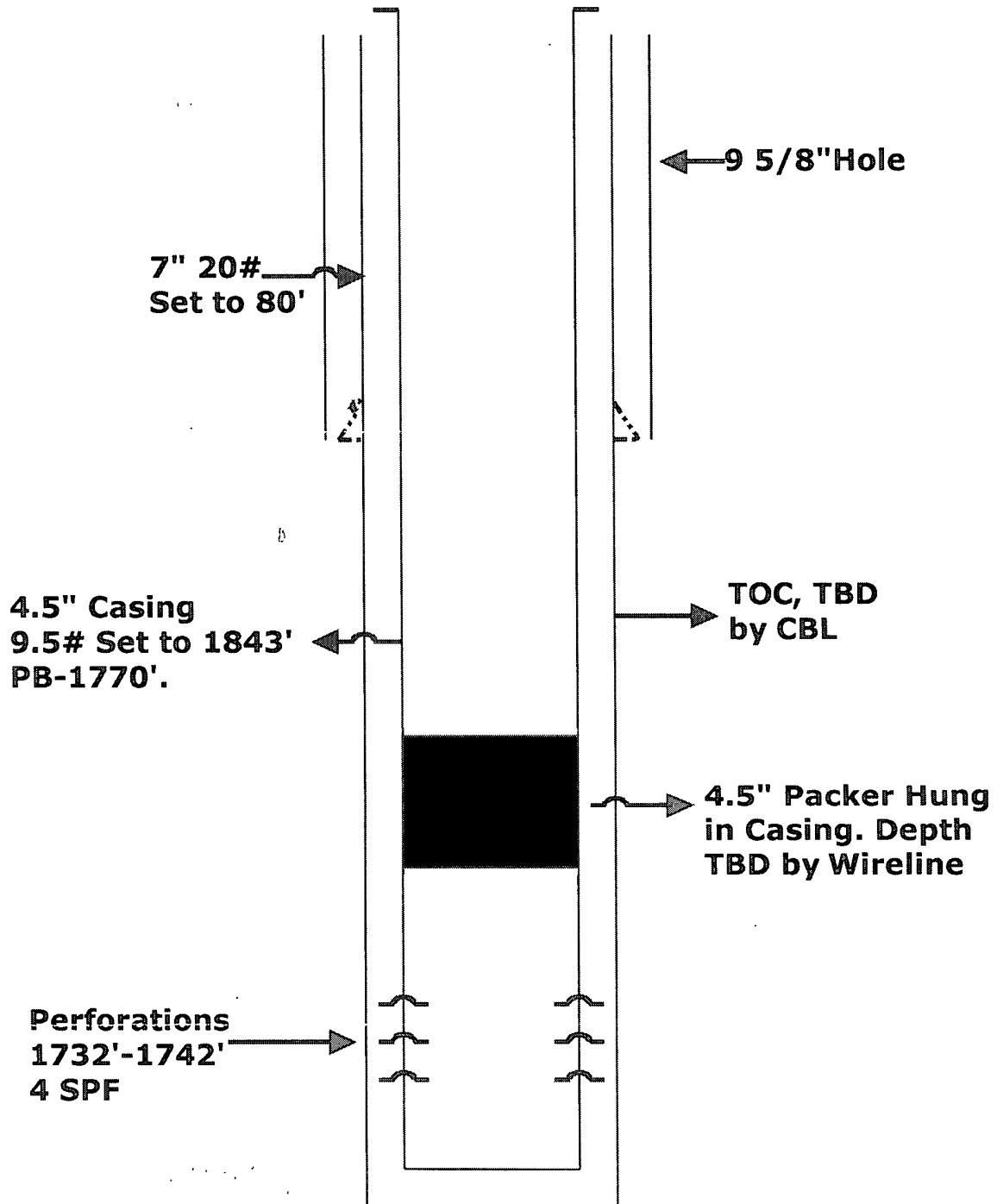
Type or print name Mike Allen E-mail address: mike.allen@nogtx.com PHONE: 918-260-7620
For State Use Only

Deputy Oil & Gas Inspector,
District #3

APPROVED BY:  TITLE Deputy Oil & Gas Inspector, District #3 DATE 12-15-11
Conditions of Approval (if any):

Av

Hospah Sand Unit
#63



Plug and Abandonment Plan
Nacogdoches Oil& Gas Inc.
Hospah Sand Unit #63
1980' FNL & 2310' FWL
Sec. 36 T18N R9W
McKinley County, New Mexico

1. Comply with all OCD, NOG and contractor safety rules and regulations. Hold safety meetings each morning.
2. MIRU, Check Braden head for pressure. Bleed pressure off of well if necessary.
3. Tubing has been pulled out of well without packer. Packer is hung in casing at the original setting point. MIRU, Wireline truck. RIH with CBL tool to check packer setting. Log CBL from packer setting to surface to determine TOC. Send in CBL for squeeze hole approval from OCD. Shoot squeeze holes TBD. POOH, LD.
4. **Plug # 1- (Lower Hospah & Gallup Top. 1742'-1632')** RIH with 2 7/8" 6.5# tubing and 4.5", J Type Arrow Packer to TBD by Wireline, set packer to allow for 100' coverage over top of Gallup sand. Pressure squeeze cement, approx, 12.6 Sks of Class B Cement @ 15.2 ppg through original packer opening to bottom of wellbore to cover perforations and Gallup top.
5. **Plug #2-(Squeeze and Surface plug) (TBD by CBL to Surface)** RIH with 2 7/8" Workstring with packer to approx 650', set packer. Pump approximately 67 sks. of Class B cement @ 15.2 ppg through squeeze hole and circulate cement into 6 1/4" hole and around 4 1/2" casing to surface. At successful surface circulation, allow cement to stabilize, un-J Packer POOH with workstring LD. RIH with WS to 650', pump approx 60 Sks of cement to fill up 4.5" casing to surface. Allow cement to stabilize.
6. Cut off well 3' below ground and install P&A marker per OCD specifications. RD, cleanup MOL.
7. Restore location to OCD specifications