

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. 30-025-12512 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. B-3290 |
| 7. Lease Name or Unit Agreement Name MEXICO "U" |
| 8. Well Number 1 |
| 9. OGRID Number 025482 |
| 10. Pool name or Wildcat Hobbs Grayburg San Andres |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) |

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 B : 330 feet from the North line and 1650 feet from the East line
 Section 8 Township 19S Range 38E NMPM County Lea

Pit or Below-grade Tank Application or Closure

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: | | 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 checked="" 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"/> | |
| 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**THE OIL CONSERVATION DIVISION MUST
 BE NOTIFIED 24 HOURS PRIOR TO THE
 BEGINNING OF PLUGGING OPERATIONS.**

- MIRU Pulling Unit
- Tag top of fish @ ± 1900'.
- Circulate hole w/9.65# fresh water mud.
- Set cement retainer @ ± 1700' and squeeze 100 sx through retainer.
- Spot 50 sx cmt @ top of retainer and tag plug.
- Spot 50 sx cmt 500' & circulate to surface.
- RD Pulling Unit, install dry hole marker & clean location.
Wellbore Diagram Attached



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 NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Angie Crawford TITLE Production Analyst DATE 11/10/05

Type or print name Angie Crawford E-mail address: Acrawford@xogoperating.com Telephone No. 432-683-3171
For State Use Only

APPROVED BY: Gayle Wink TITLE FIELD REPRESENTATIVE II/STAFF MANAGER DATE NOV 22 2005
 Conditions of Approval (if any): _____

XERIC OIL & GAS CORP.
WELLBORE DIAGRAM

WELL: Mexico U#1

COUNTY: Lea

STATE: NM

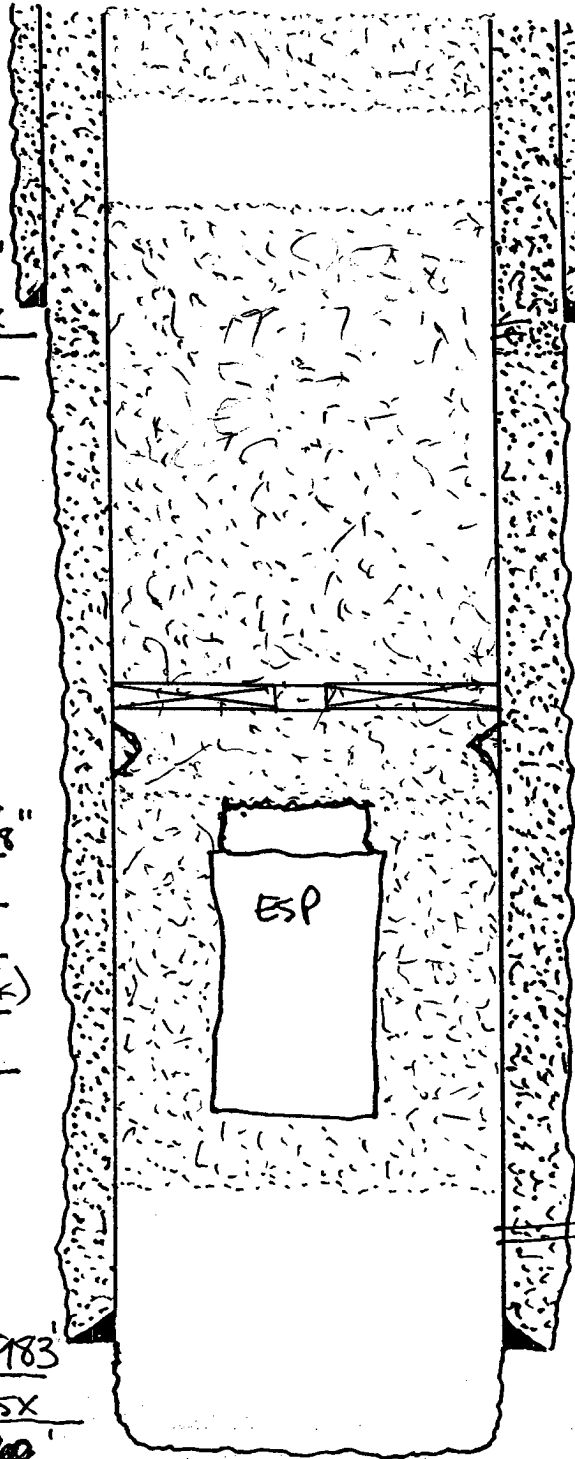
HOLE SIZE: 12 1/4"
CASING: 8 5/8" @ 1590'
CEMENTED WITH: 600SX
CEMENT TOP: Surf.

TUBING: 59 jts 2 3/8"
RODS: @ 1850'

PUMP: ESP (stuck)

PACKER: _____

HOLE SIZE: 7 7/8"
CASING: 5 1/2" @ 3983'
CEMENTED WITH: 300SX
CEMENT TOP: ~~01300~~
Surface



Top of Plug #3 @ surface

Top of Plug #2 @ +/- 1200'

Perf. 1625' squeezed w/ 400SX
to surface in 1985

5 1/2" Casing Parted @
+/- 1800'

Fish (ESP Pump) @ +/- 1900'

PERFS:

3857' - 3953'

PBTD: 4075

TD: 4075