

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

WELL API NO. 30-015-20764
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-1565
7. Lease Name or Unit Agreement Name Texaco BE
8. Well No. 2
9. Pool name or Wildcat Grayburg Jackson, SR, QN, GB, SA
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3688' 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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator Mack Energy Corporation	
3. Address of Operator P.O. Box 960, Artesia, NM 88211-0960	
4. Well Location Unit Letter <u>A</u> : <u>660</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>16</u> Township <u>17S</u> Range <u>30E</u> NMPM <u>Eddy</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3688' GR	

11. 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 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"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. 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.

08/11/2003 Set CIBP @ 2500'.

08/12/2003 Set 10 sx cement cap on top CIBP, Set 35 sx Class C 6% CC @ 1104', tag @ 790', POH to 574' circ 150 sx to surface.

08/13/2003 Tag cement @ surface, install dry hole marker.

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

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 9/8/2003
TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. (505)748-1288

(This space for State Use)

APPROVED BY [Signature] TITLE Field Rep DATE JUL 14 2004
CONDITIONS OF APPROVAL, IF ANY



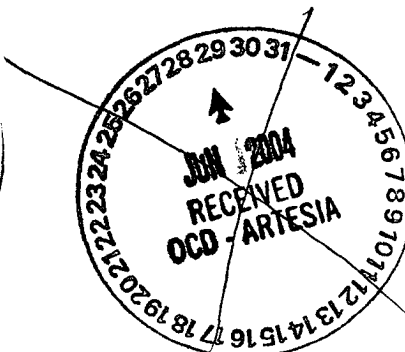
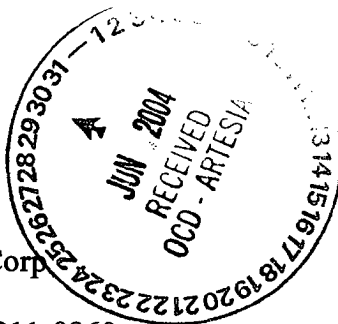
NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

4 May 2004

Mack Energy Corp
PO Box 960
Artesia NM 88211-0960



Form C-103 Report of Plugging for your Texaco BE #2 A-16-17-30 API 30-015-20764
Cannot be approved until an NMOCD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

- ☒ 1. All pits have been filled and leveled.
- ☒ 2. Rat hole and cellar have been filled and leveled.
- ☒ 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
- ☒ 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- ☒ 5. The dead men and tie downs have been cut and removed.
- ☒ 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been leveled and cleared of all junk & equipment.
- ☒ 7. All environmental concerns have been addressed as per OCD guidelines.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.

Jerry W. Sherrill
Name

Production Clerk
Title

Mike Bratcher
Mike Bratcher
Compliance Officer

*P/A OK to Release
API # is on marker
7/9/04
RL*

*OK 7/9/04
[Signature]*