

JUN - 9 2006

OCD-ARTESIA

Form C-103
Permit31503District I1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720District II1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720District III1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170District IV1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462State of New Mexico
Energy, Minerals and Natural ResourcesOil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-015-34027
1. Type of Well: G		5. Indicate Type of Lease S
2. Name of Operator AMERISTATE EXPLORATION, L.L.C.		6. State Oil & Gas Lease No.
3. Address of Operator 111 CONGRESS AVE., STE. 2700 , AUSTIN , TX 78701		7. Lease Name or Unit Agreement Name MIDNIGHT 13 STATE COM
4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>N</u> line and <u>950</u> feet from the <u>W</u> line Section <u>13</u> Township <u>16S</u> Range <u>26E</u> NMPM <u>Eddy</u> County		8. Well Number 001
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3387 GR		9. OGRID Number 158898
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 _____		10. Pool name or Wildcat

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

 PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 Other:

SUBSEQUENT REPORT OF:

 REMEDIAL WORK ☐ ALTER CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
 CASING/CEMENT JOB ☐
 Other: Spud ☒

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.

 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 _____ TITLE _____ DATE _____
 Type or print name _____ E-mail address _____ Telephone No. _____
For State Use Only:
 APPROVED BY: _____ TITLE _____ DATE JUN 16 2006

FOR RECORDS ONLY

03/31/05 MI Auger Air Drilling & Mfg., Inc., drilling machine. Spud well 11:30 p.m. 03/31/05. Continued drilling conductor hole past midnight. Drilled to depth of 20'. RD Auger Air. WORT.

04/18/05 MI Auger Air drlg machine. Resumed drlg 5:00 p.m. MST. Deepened hole from depth of 20' to 25'. RD Auger Air. WORT.

05/06/05 MI Auger Air drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 25' to 30'. RD Auger Air. WORT.

05/24/05 MI Auger Air drlg machine. Resumed drlg 8:30 p.m. MST. Deepened hole from depth of 30' to 35'. RD Auger Air. WORT.

06/11/05 MI Auger Air drlg machine. Resumed drlg 2:00 p.m. MST. Deepened hole from depth of 35' to 40'. RD Auger Air. WORT.

06/29/05 MI Auger Air drlg machine. Resumed drlg 4:30 p.m. MST. Deepened hole from depth of 40' to 45'. RD Auger Air. WORT.

07/17/05 MI Auger Air drlg machine. Resumed drlg 6:30 p.m. MST. Deepened hole from depth of 45' to 50'. RD Auger Air. WORT.

08/05/05 MI Auger Air drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 50' to 52'. RD Auger Air. WORT.

08/23/05 MI Auger Air drlg machine. Resumed drlg 1:00 p.m. MST. Deepened hole from depth of 52' to 54'. RD Auger Air. WORT.

09/10/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 54' to 56'. RD Ace Rat Hole. WORT.

09/28/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 4:30 p.m. MST. Deepened hole from depth of 56' to 58'. RD Ace Rat Hole. WORT.

10/17/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 58' to 60'. RD Ace Rat Hole. WORT.

11/03/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 11:00 a.m. MST. Deepened hole from depth of 60' to 62'. RD Ace Rat Hole. WORT.

11/21/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 11:30 a.m. MST. Deepened hole from depth of 62' to 64'. RD Ace Rat Hole. WORT.

12/09/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 2:00 p.m. MST. Deepened hole from depth of 64' to 66'. RD Ace Rat Hole. WORT.

12/27/05 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 12:45 p.m. MST. Deepened hole from depth of 66' to 68'. RD Ace Rat Hole. WORT.

01/13/06 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 9:45 a.m. MST. Deepened hole from depth of 68' to 70'. RD Ace Rat Hole. WORT.

01/31/06 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 10 a.m. MST. Deepened hole from depth of 70' to 72'. RD Ace Rat Hole. WORT.

02/18/06 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 4 p.m. MST. Deepened hole from depth of 72' to 74'. RD Ace Rat Hole. WORT.

03/08/06 MI Ace Rat Hole Service, Inc., drlg machine. Resumed drlg 9:45 a.m. MST. Deepened hole from depth of 74' to 76'. RD Ace Rat Hole. WORT.

03/26/06 MI Ace Rat Hole Service, Inc., drlg. machine. Resumed drlg 10:30 a.m. MST. Deepened hole from depth of 76' to 78". RD Ace Rat Hole. WORT.

04/13/06 MI Ace Rat Hole Service, Inc., drlg. machine. Resumed drlg 1:30 p.m. MST. Deepened hole from depth of 78' to 80'. RD Ace Rat Hole. WORT.

04/29/06 MI Ace Rat Hole Service, Inc., drlg. Machine. Resumed drlg 10:00 a.m. MST. Set 40' of conductor pipe and drilled out. RD Ace Rat Hole. WORT. Expect to be drilling to TD within seven days from date of this notice.

05/17/06 MI Ace Rat Hole Service, Inc., drlg. Machine. Resumed drlg 9:30 a. m. MST. Drilled out 2' of 17 1/2" hole from 40' to 42' below 20" conductor. Due to rig delay, estimated spud date is ten days from date of C-103 filing.

06/05/06 MI Ace Rat Hole Service, Inc., drlg. Machine. Resumed drlg 4:17 p. m. MST. Drilled out 2' of 17 ½" hole from 42' to 44' below 20" conductor. Due to rig delay, estimated spud date is seven days from date of latest C-103 filing.

ACE RATHOLE SERVICE

DATE 6-3-06 CO. STATE EDDY CO. N.M.

AMERISTATE Expl. CO. MAN MICHAEL ARBUJO

PHONE# 512-391-0300 EX 32

DRILLING CO. & RIG # LEASE HOLD PATT #55 LOC

TOOL PUSHER FRANCIS GAUN 361-813-8779 FAX 512-391-0301

WELL NAME & # MIDNITE 13 SA. COM #1

SURFACE HOLE EXTEND SH 2' TO 44' 17 1/2"

~~RATHOLE & HOUSEHOLE~~ SPUD TIME 4:17 P.M. TO 5:17 P.M.

~~PIPE STRING LENGTH~~ NEXT DRILL DATE 6-21-06

REAM SET & CEMENT _____

WELDING CHARGES _____

CEMENT CO. & YARDS _____

ANCHORS _____

PIPE HAUL _____

SHUCK PIPE SIZE & LENGTH _____

CLEAN LOCATION _____

BITS & BLADES _____

FUEL SURCHARGE _____

TRUCK TIME _____

DRILLING CREW _____

UNIT# _____

FOOTAGE DRILLED _____