

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
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 October 13, 2009

HOBBS OGD
 MAR 11 2013
 RECEIVED

WELL API NO. 30-015-28278
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 EAST SHUGART UNIT
8. Well Number 78
9. OGRID Number
10. Pool name or Wildcat

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 AMERICO ENERGY RESOURCES, LLC

3. Address of Operator
 7575 SAN FELIPE STE. Houston, TX 77063

4. Well Location
 Unit Letter K : 2300' feet from the South line and 2300 feet from the East line
 Section 35 Township 18-S Range 31-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER:

OTHER:

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.

- MIRUWOR, N/U BOP RJH W/ FISH TOOLS & 2 7/8" TBING ATTEMPT TO FISH RODS & TBING, IF RODS AND TBING IS REMOVED - RIH W/ 5 1/2" RBP & PKR, 2 7/8" TBING, SET RBP @ 3400' (60' ABOVE PERF'S @ 3460') PULL UP SET PKR, TEST RBP 600 PSI, IF HOLDING, TEST BACKSIDE TO 600 PSI - IF LEAKING, SPOT 2SKS SAND ON RBP, START MOVE PKR UP HOLE TO ISOLATE HOLE IN CSG (SHOULD BE 15' BELOW WELLHEADS)
- ONCE HOLE IS ISOLATED CALL IN TO OFFICE W/ RESULTS
- IF HOLE IS 1000' OR BELOW N/D BOP, N/U FLANGE BACK CIRC UP 8 5/8" SET INJECTION RATE, PUMP CMT DOWN 5 1/2" AND UP 8 5/8" CSG WHEN GOOD CMT IS SEEN IN PIT START FLUSH SPOT TOP OF CMT 100' ABOVE HOLE IN 5 1/2" SHUT VAVLE ON 8 5/8" AND PRESSURE 5 1/2" TO 800 PSI S/I 5 1/2" CSG WOC
- CHECK PRESSURE ON 5 1/2" AND 8 5/8" CSG, RIH W/ 4 1/2" BIT, BIT SUB, COLLARS TAG AND DRILL OUT CMT, TEST SQUEEZE TO 600 PSI, IF HOLDING
- IF HOLE IS AT SURFACE DIG UP WELLHEADS TO GOOD CSG, CUT OFF CSG'S, INSTALL NEW CSG'S AND INSTALL NEW WELLHEADS.
- RJH & TAG SAND ON RBP @ 3400' CIRC BOTTOMS UP TO CIRC SAND OFF (DO NOT ROTATE BIT) CIRC CLEAN.
- POH W/ 2 7/8" TBING, L/D D.C.'S, BIT SUB, BIT, RIH W/ ON/OFF TOOL, 2 7/8" TBING TAG RBP CIRC REST OF SAND OFF RBP, LATCH ONTO & UNSET RBP, TOH L/D RBP.
- RETURN WELL TO PRODUCTION
- Well returned to Production 7/4/2012

Spud Date:

Rig Release Date:

RECEIVED
 MAR 12 2013
 NMOC D ARTESIA

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

SIGNATURE [Signature] TITLE _____ DATE 3/5/2013

Type or print name Ehsan Bayat E-mail address: ehsan.bayat@americoenergy.com PHONE: 713-984-9700

For State Use Only

APPROVED BY: [Signature] TITLE Dist. P. Supervisor DATE 3/14/13

Conditions of Approval (if any):