

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  
 June 19, 2008

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

|   |
|---|
| WELL API NO.<br>30-015-05685  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>EAST SHUGART UNIT   |
| 8. Well Number 29   |
| 9. OGRID Number 228051  |
| 10. Pool name or Wildcat<br>Shugart (Y-SR-QN-GB)  |

**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 Injection Well

2. Name of Operator  
AMERICO ENERGY RESOURCES, LLC

3. Address of Operator  
7575 San Felipe, Suite 200, Houston, Tx. 77063

4. Well Location  
 Unit Letter N : 330 feet from the South line and 2310 feet from the West line  
 Section 34 Township 18 South Range 31 East 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

|   |   |  |  |
|---|---|--|--|
| <b>NOTICE OF INTENTION TO:</b>                            |   | <b>SUBSEQUENT REPORT OF:</b>                     |  |
| PERFORM REMEDIAL WORK <input checked="" 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"/> | 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- MIRU WOR, N/D well head, unseat pkr, POH w/ injection Tbing & pkr.
- RIH w/ Pkr & injection tbing testing to 5000 psi. N/D BOP, N/U well head, Circ. Pkr fluid, N/D well head, Set pkr. Test Csg to 550 psi.
- Return to injection

(Will call OCD for MIT – before returning to injection)

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 Eh Bayat TITLE Regulatory Analyst DATE 9/16/2009

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

For State Use Only  
 APPROVED BY LR Dade TITLE District II Supervisor DATE 9/29/2009

Conditions of Approval (if any):