

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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.)		WELL API NO. 30-025-34569
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Xeric Oil & Gas Corporation		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 352, Midland, TX 79702		7. Lease Name or Unit Agreement Name: Mooney
4. Well Location Unit Letter <u>I</u> : 1980 feet from the <u>South</u> line and <u>330</u> feet from the <u>East</u> line Section <u>13</u> Township <u>20S</u> Range <u>38E</u> NMPM Lea County		8. Well No. 1
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. Pool name or Wildcat House Drinkard

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: Surface Commingle <input checked="" 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

6/1/03 Begin Surface Commingling the production from the Paige #1 Well and the Mooney #1 Well at the Mooney Battery (I-13-20S-38E) as per administrative Order PLC-227:

	BOD	BWD	MCFD
Paige #1	8.4 (60%)	15.3 (62%)	13.4 (64%)
Mooney #1	5.6 (40%)	9.4 (38%)	7.4 (36%)
TOTAL PRODUCTION	14	24.7	20.8

Xeric will test each well for three days every six months and reallocate production accordingly.

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

SIGNATURE Angie Crawford TITLE Production Analyst DATE 5/18/04

Type or print name Angie Crawford, ACrawford@xericoil.com

432-683-3171
Telephone No.

(This space for State use)

APPROVED BY Harry W. Wink TITLE OC FIELD REPRESENTATIVE II/STATE ANALYST
Conditions of approval, if any:

DATE MAY 27 2004