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
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-25417

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name: State 22

1. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER

2. Name of Operator: Morexco, Inc.

8. Well No. 1

3. Address of Operator: P.O. Box 1591, Roswell, NM

9. Pool name or Wildcat: Reeves Queen

4. Well Location
Unit Letter P : 330 Feet From The South Line and 330 Feet From The East Line

Section 22 Township 18S Range 35E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[X]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER:	[ ]		

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.

5-06-04 Set 4-1/2" CIBP @ 4400', cap w/ 35' of cmt.
5-06-04 Circ. hole w/ mud.
5-06-04 Spot 25 sx cmt. @ 3050'.
5-06-04 Spot 25 sx cmt. @ 1840', tag plug @ 1500'.
5-06-04 Spot 25 sx cmt. @ 475'.
5-07-04 Tag plug @ 195'.
5-07-04 Spot 10 sx cmt. from 60' to surface.
5-08-04 RDMO. Install dry hole marker & clean location.

RECEIVED JUN 2004 Hobbs OCD

Approved as to plugging of the Well Bore.
Liability under bond is retained until surface restoration is completed.

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

SIGNATURE [signature] TITLE Agent DATE 5-18-04

TYPE OR PRINT NAME Roger Massey TELEPHONE NO. (432)530-0907

(This space for State Use)

APPROVED BY Gary W. Wink TITLE ORIGINAL SIGNED BY GARY W. WINK OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE JUN 30 2004

CONDITIONS OF APPROVAL, IF ANY: