

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.<br>30-025-25417                                                                        |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.                                                                        |
| 7. Lease Name or Unit Agreement Name<br>State 22                                                    |
| 8. Well No. 1                                                                                       |
| 9. Pool name or Wildcat<br>Reeves Queen                                                             |

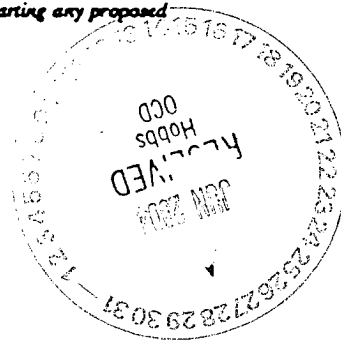
SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

|                                                                                                          |                                      |                                                      |                                                                                                                                                       |                                                    |
|----------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| 1. Type of Well:<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER | 2. Name of Operator<br>Morexco, Inc. | 3. Address of Operator<br>P.O. Box 1591, Roswell, NM | 4. Well Location<br>Unit Letter P : 330 Feet From The South Line and 330 Feet From The East Line<br>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 <input type="checkbox"/>                                | REMEDIAL WORK <input type="checkbox"/>                   |
| TEMPORARILY ABANDON <input type="checkbox"/>                                  | ALTERING CASING <input type="checkbox"/>                 |
| PULL OR ALTER CASING <input type="checkbox"/>                                 | COMMENCE DRILLING OPNS. <input type="checkbox"/>         |
| OTHER: <input type="checkbox"/>                                               | PLUG AND ABANDONMENT <input checked="" type="checkbox"/> |
|                                                                               | CASING TEST AND CEMENT JOB <input type="checkbox"/>      |
|                                                                               | OTHER: <input 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.

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.



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 Roger Massey TITLE Agent DATE 5-18-04  
TYPE OR PRINT NAME Roger Massey TELEPHONE NO. (432) 530-0907

(This space for State Use)

APPROVED BY:

CONDITIONS OF APPROVAL, IF ANY:

ORIGINAL SIGNED BY  
GARY W. WINK  
OC FIELD REPRESENTATIVE II/STAFF MANAGER

JUN 30 2004