

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S St Francis Dr., Santa Fe, NM 87505

HOBBS OGD

CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

NOV 17 2011

WELL API NO. 30 025 32658
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-1987
7. Lease Name or Unit Agreement Name Airstrip "A" State
8. Well Number 2
9. OGRID Number 015262
10. Pool name or Wildcat 20330 E.K. Queen, East

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
Morexco, Inc.

3. Address of Operator
c/o Box 953, Midland, TX 79702

4. Well Location
Unit Letter L : 1980 feet from the South line and 660 feet from the West line
Section 15 Township 18S Range 34E NMPM Lea 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: Spill Report ☒

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.

10/31/2011: Leak in stuffing box, lost approx 12-15 bbls oil around wellhead, confined to location. Had vacuum truck recover oil and then excavated stained caliche. Dug out cellar, will do TPH and report to OCD. OCD field agent - Jeff on location.

RECEIVED
NOV -7 2011
NMOCD ARTESIA

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 Ann Ritchie TITLE Regulatory DATE 11/3/2011

Type or print name Ann Ritchie E-mail address: ann.wtor@gmail.com PHONE: 432 6846381

For State Use Only

APPROVED BY Staff TITLE Staff DATE 11-17-2011

Conditions of Approval (if any):

NOV 17 2011