HOBBS OCD

MAR 2 1 2012

RECEIVED

Submit One Copy To Appropriate District Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
811 S First St., 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
Minerals and Natural Resources

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

Form C-103
Revised November 3, 2011

WELL API NO. 30-025-03226
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: West Pearl Queen Unit
1. Type of Well: [ ] Oil Well [ ] Gas Well [X] Other
8. Well Number 126
2. Name of Operator: State of N.M. (formerly Xenic)
9. OGRID Number 245482
3. Address of Operator: 1625 N. French Dr., Hobbs N.M. 88240
10. Pool name or Wildcat: Pearl Queen
4. Well Location
Unit Letter M : 660 feet from the S line and 660 feet from the W line
Section 28 Township 19S Range 35E NMPM ____ County Lea
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: | | | | SUBSEQUENT REPORT OF: | | | |
|---|---|---|---|---|---|---|---|
| PERFORM REMEDIAL WORK | [ ] | PLUG AND ABANDON | [ ] | REMEDIAL WORK | [ ] | ALTERING CASING | [ ] |
| TEMPORARILY ABANDON | [ ] | CHANGE PLANS | [ ] | COMMENCE DRILLING OPNS. | [ ] | P AND A | [X] |
| PULL OR ALTER CASING | [ ] | MULTIPLE COMPL | [ ] | CASING/CEMENT JOB | [ ] | | |
| OTHER. | [ ] | | | [X] **Location is ready for OCD inspection after P&A** | | | |

[✓] All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
[✓] Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
[✓] A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

**OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. All INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.**

[✓] The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
[✓] Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
[✓] If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
[✓] All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
[✓] All other environmental concerns have been addressed as per OCD rules.
[✓] Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.
[✓] If this is a one-well lease or last remaining well on lease: all electrical service poles and lines have been removed from lease and well location, except for utility's distribution infrastructure.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Marvin Burrows TITLE Engr. Mgr. DATE 3/20/12

TYPE OR PRINT NAME Marvin Burrows E-MAIL: MBurrows@Xice SWD.com PHONE: 575-393-9174

For State Use Only

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 04-02-2012

Apr 03 2012