

Oil Cons.
UNITED STATES N.M. DIV-Dist. 2
DEPARTMENT OF THE INTERIOR 1901 W. Grand Avenue
BUREAU OF LAND MANAGEMENT Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

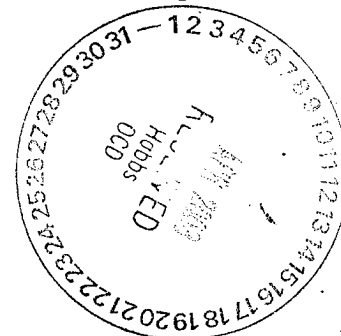
1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other		5. Lease Serial No. NMNM0145685
2. Name of Operator Xeric Oil & Gas Corporation		6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 352 Midland, TX 79702	3b. Phone No. (include area code) 915-683-3171	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2305' FNL & 285' FEL Unit E, Sec. 30, 8S, 35E, NMPM		8. Well Name and No. Horton Federal 32
		9. API Well No. 30-041-20756
		10. Field and Pool, or Exploratory Area Milnesand San Andres
		11. County or Parish, State Roosevelt, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☒ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This notice will inform you of our intent to test this well to 500 psi, with the intention of temporarily abandoning this well for future use as an additional water injection for this waterflood. Arrangements will be made for the BLM to witness the casing integrity test.



14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Angie Crawford	Title Production Analyst
Signature <i>Angie Crawford</i>	Date 3/20/03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>ACE</i>	Title <i>PE</i>	Date <i>4/7/03</i>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease or that the applicant is entitled to conduct operations thereon.	Office <i>RFO</i>	

Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.