

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

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

WELL API NO. 30-025-25570
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-9774
7. Lease Name or Unit Agreement Name State "T" Devonian
8. Well Number 9
9. OGRID Number 228051
10. Pool name or Wildcat Denton (Devonian)

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 **SHUT-IN**

2. Name of Operator **AMERICO ENERGY RESOURCES**

3. Address of Operator **7575 SAN FELIPE STE 200
HOUSTON, TX 77063**

4. Well Location
Unit Letter **N** : **350** feet from the **South** line and **1650** feet from the **West** line
Section **2** Township **15S** Range **37E** 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input checked="" type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. Notify OCD
2. Move in rig and rig up service rig
3. Run a CIBP at 11,000'.
4. Place 20' cement cap on the CIBP.
5. Check and test the 5-1/2" casing.
6. Squeeze off and drill and conduct pressure integrity test.
7. Report the results.
8. Cleanup location.

Condition of Approval: Notify OCD Hobbs
office 24 hours prior to running MIT Test & Chart

Spud Date:

10/28/08

Rig Release Date:

11/1/08

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

SIGNATURE **Ehsan Bayat** TITLE **Regulatory Analyst** DATE **10/29/08**

Type or print name **EHSAN BAYAT** E-mail address: **ehsan.bayat@americoenergy.com** PHONE: **713 984-9700**
For State Use Only

APPROVED BY: **[Signature]** TITLE **GC FIELD REPRESENTATIVE II/STAFF MANAGER** DATE **OCT 28 2008**
Conditions of Approval (if any):

Americo

Energy Resources, LLC

**To: State of New Mexico,
Energy, Minerals and Natural Resources
Oil Conservation Division.
District 1
1625 N French Drive, Hobbs, NM 88240**

RECEIVED

OCT 27 2008

HOBBS (N)

Subject: State T Devonian #9 Well API 30-025-25570

Date: 10-23-2008

Dear Regulatory Agent

Americo submitted C-103 on State T #9 well on 2/7/08 and received your approval to enter this well, remove the tubing, cables, pumps and other fish from this well, and after establishing casing integrity run a new pump and place the well on production.

Despite all of our efforts, and \$484,000 of direct costs and 44 days of work on this well during Feb – Apr 2008 we were unable to clean up the well and remove the fish bellow the 11280'. It proved virtually impossible to make any further progress. The work was stopped in April pending further evaluation.

Copies of the C-103 and the last few days of the workover reports are attached for your information

Americo now proposes to TA this well for the time being by placing a CIBP and cement cap at around 11,000 and attempt to achieve casing integrity. This would allow Americo to examine other options such as sidetrack or uphole recompletion of this well significant well in the State T Devonian lease.

A C-103 form has been prepared for your attention. Please let us know if you need any additional information.

Best regards,



Oscar Nosrati

Vice president – Operation
Americo Energy Resources, LLC.

7575 San Felipe, Ste 200 Houston, TX 77063

Tel: 713-984-9700 Fax: 713-984-9933

E-mail: oscar.nosrati@americoenergy.com