Form 3160-5 (November 1994)

N.M. Cil Cons. Division

1625 N. French Dr. UNITED STATES DEPARTMENT OF THE INTERIORIOBS, NM 88240 BUREAU OF LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135 Expires November 30, 2000

5. Lease Serial No.

LC065649 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on reverse side South Pearl Queen 1. Type of Well Oil Well 8. Well Name and No. Other Injection SOUTH PEARL QUEEN 2. Name of Operator WELL # 25 XERIC OIL & GAS CORP. 9. API Well No. 3a. Address 3b. PhoneNo. (include area code) 30-025-03344 P. O. Box 352, Midland, Tx 79702 432-683-3171 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Pearl Queen SEC 9 T20S R35E NWNW 330 FNL 660 FWL 11. County or Parish, State 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHERDATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Deepen Well Integrity Alter Casing Fracture Treat Reclamation Subsequent Report Casing Repair New Construction Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal Describe Proposed or CoommpletedOperation (clearly state all pertinent details, including estimated starting date of any proposed work and approximateduration 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 AbandonmentNotices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.) 2-26-04 SPOT 25 SKS CEMENT @ 5000' W.O.C. & TAG @ 4411' SPOT 25 SKS @ 3500-3400 2-27-04 PERF @ 1800 SQUEEZE 75 SKS CEMENT W.O.C. & TAG @ 1703 PERF @ 250' SQUEEZE 40 SKS W.O.C. & TAG @ 130 SPOT 10 SKS 50' - SURFACE CIRCULATE MUD INSTALL P & A MARKER approved as to plugging of the well boxe. Liability under bond is retained unter surface restoration is completed. 14. I hereby certify that the foregoing is true and correct Name(Printed/Typed) CEMENTER Date 3-1-04 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date Approved by

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any departmentor agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Conditions of approval (I) any fire 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 which would entitle the applicant to conduct operations thereon.