

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

**OIL CONSERVATION DIVISION**  
2040 Pacheco St.  
Santa Fe, NM 87505

WELL API NO.	30-025-08000
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	V-1529
7. Lease Name or Unit Agreement Name	State "DX"
8. Well No.	1
9. Pool name or Wildcat	Mescalero Permo Penn
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	

**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.)

Type of Well:  
OIL WELL  GAS WELL  OTHER

Name of Operator  
National Energy Group, Inc.

Address of Operator  
4925 Greenville Ave, Ste 1400, Dallas, TX 75206

Well Location  
Unit Letter F : 1979.5 Feet From The North Line and 1989.65 Feet From The West Line

Section 33 Township 10 S Range 32 E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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 type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
WELLS OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

5/12/97: NU BOP and TIH with 4 3/4" Bit and 5 1/2" casing scraper and 278 jts 2 7/8" tbg, tagged PBTD at 8634', set C.I.B.P. at 8600' with 35' of cement on top. RU Halliburton and circulate and balance hole with 315 bbls 10# mud, set plugs as follows:  
 PLUG #1 at 5800' with 15 sxs class "c" mixed at 15.6#/gal, yield 1.32=150' plug, displaced with 10# mud.  
 PLUG #2 at 4000' with 15 sxs class "c" mixed at 15.6#/gal, yield 1.32=150' and displaced with 10# mud.  
 PLUG #3 and #4 at 3575' to 3036' with 50 sxs class "c" mixed at 15.6#/gal, yield 1.32=539' and displaced with 10# mud.  
 PLUG #5 at 1482' with 35 sxs class "c" mixed at 15.6#/gal, yield 1.32=137' and displaced with 10# mud.  
 Shut down and WOC 3 hrs, tagged cement at 1345'.  
 PLUG #6 at 31' with 10 sxs class "c" mixed at 15.6#/gal, yield 1.32=31'. Set dry hole marker 8' in cement with 5' sticking up. Close & level all pits. Clean location and cut off WH.

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

SIGNATURE David C. Groves TITLE Operation Manager DATE 5/28/97

TELEPHONE NO. 915-580-0656

APPROVED BY Billy E. Pugh TITLE Field Rep DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: