

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-23128
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. K-3846
7. Lease Name or Unit Agreement Name New Mexico "U" State
8. Well No. 1
9. Pool name or Wildcat Baum, Upper Penn
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4237.6 GR

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator American Exploration Company
3. Address of Operator 1331 Lamar, Suite 900 Houston, Texas 77010-3088	4. Well Location Unit Letter <u>G</u> : <u>1980</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>4</u> Township <u>14S</u> Range <u>33E</u> NMPM Lea County

11. 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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
	OTHER: <input type="checkbox"/>

12. 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.

American Exploration request a Long Term Shut-in status. The well was tested for casing integrity June 12, 1997. Integrity test chart is attached.

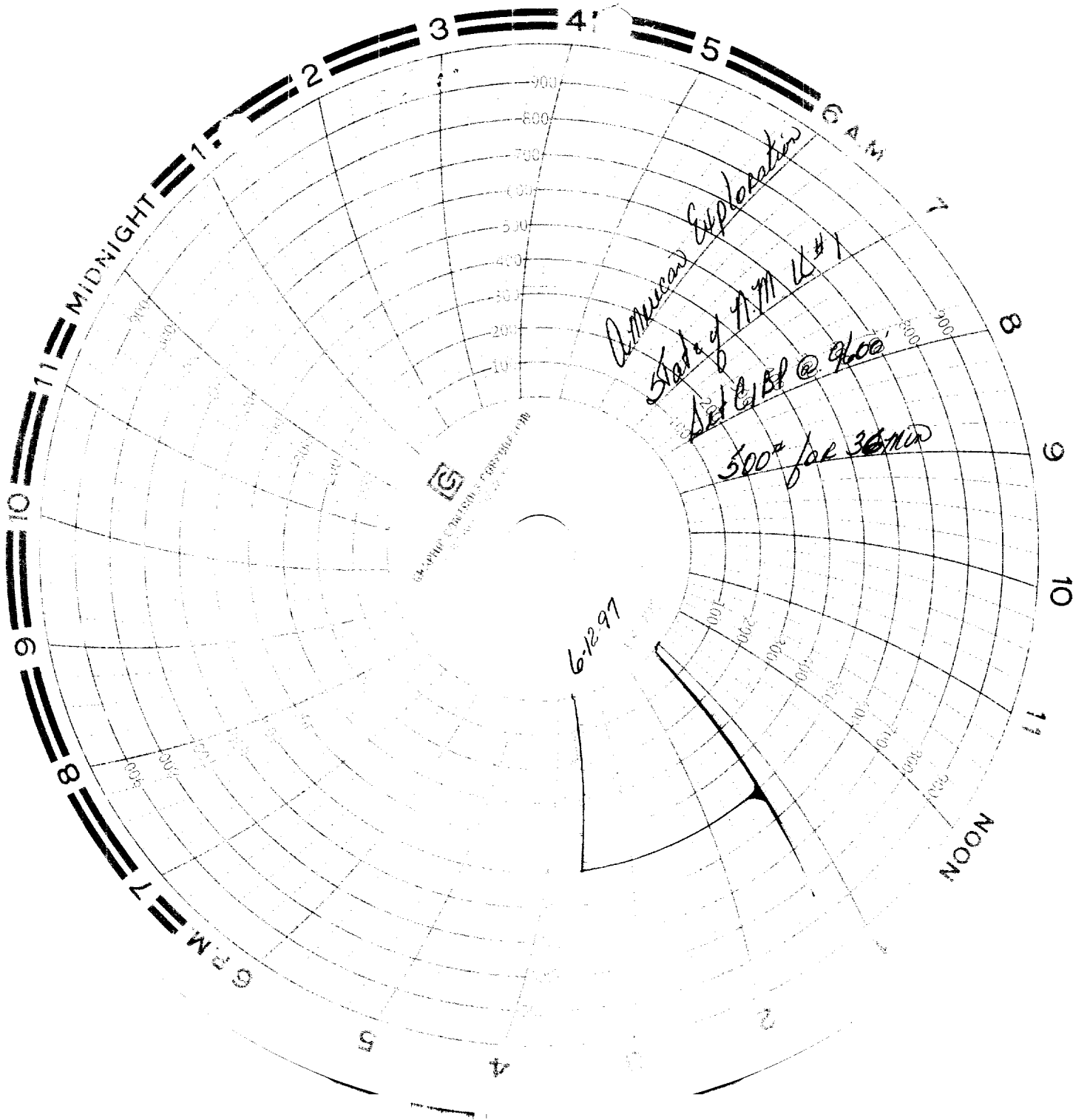
This Approval of Temporary
Abandonment Expires 7/9/2002

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

SIGNATURE Melinda Mayse TITLE Regulatory Coordinator DATE 7/1/97
TYPE OR PRINT NAME Melinda Mayse TELEPHONE NO. 713-756-631

(This space for State Use)

ORIGINAL SIGNED BY CHRIS WILLIAMS
APPROVED BY DISTRICT I SUPERVISOR TITLE DATE
CONDITIONS OF APPROVAL, IF ANY:



American Exploration
nm "e" ST #1

MacLuskey
#17 PEARLS
Cinnatis

[Signature]