Appropriate District Office — Energy, Minerals and Natural Resources Department — Revised

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. 30-025-20449

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. E-8454

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)

7. Lease Name or Unit Agreement Name: Mesa Queen Unit

1. Type of Well: OIL WELL [ ] GAS WELL [ ] OTHER Water Injection Well

2. Name of Operator: Xeric Oil & Gas Corporation

8. Well No. #2

3. Address of Operator: P O Box 352 Midland, TX 79702

9. Pool name or Wildcat: Mesa Queen Assoc.

4. Well Location
Unit Letter B : 660 Feet From The North Line and 1980 Feet From The East Line
Section 16 Township 16S Range 32E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4345' RKB

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[X]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER:			[ ]

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.

1. Rig up pulling unit.
2. Nipple down injection head.
3. Nipple up 5000 psi BOP's.
4. Unseat packer & pull 3365' of 2 3/8" tubing.
5. Redress or replace packer.
6. TIH with tubing, set packer @ 3340' and load backside with treated water.
7. Contact NMOCD to witness pressure test (give 24 hr advance notice.)
8. Pressure test to 300# for 15 minutes recording results on chart.
9. Nipple down BOP's.
10. Nipple up injection head.
11. Rig down pulling unit.
12. Return well to water injection.

No pressure Drop For 15 min. 10% or less pressure Drop For 30 MIN

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

SIGNATURE R C Barnett TITLE President DATE 12-14-99

TYPE OR PRINT NAME R C Barnett TELEPHONE NO. 915-683-317

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

SC