Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, ...inerals 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

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30 - 025 - 34080

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

6. State Oil & Gas Lease No.
V - 05107

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
Jerry State

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

2. Name of Operator
Xeric Oil & Gas Corporation

8. Well No.
1

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

9. Pool name or Wildcat
East Warren Drinkard

4. Well Location
Unit Letter J : 1650 Feet From The South Line and 2310 Feet From The East Line

Section 36 Township 20S Range 38E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3568 GR

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	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: Test Drinkard Formation			[XX]

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.

10/09/97 - Perforate Drinkard formation from 7017' - 7028' + 7035' - 7040' + 7070'-7076' total 40 holes. Acidize w/ 2000 gals 15% NEFE acid. Swab good gas shows

10/10/97 - Frac Drinkard down casing @ 45 bpm + 28,800 # 16/30 sand + 32,000 gals gel screened out on 6 ppg sand

10/12/97 - Well flowing on 24/64" choke - 40 mcf/d + 60 bwpd + 2 bopd prepare to abandon zone & test Tubb formation

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

SIGNATURE [signature] TITLE Consulting Engineer DATE 11/01/97

TYPE OR PRINT NAME Michael G. Mooney TELEPHONE NO. 915/528-2259

(This space for State Use)

ORIGINAL SIGNED BY CHRIS WILLIAMS
DISTRICT I SUPERVISOR

NOV 25 1997

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: