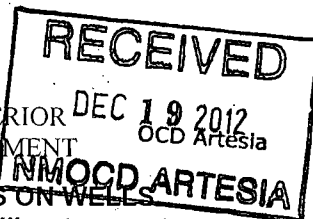


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMLC-054908

6. If Indian, Allottee or Tribe Name
NA

SUBMIT IN TRIPLICATE – Other instructions on page 2.

I. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Fair Oil, Ltd.

3a. Address
P.O. Box 689
Tyler TX 75710

3b. Phone No. (include area code)
903-510-6527

7. If Unit of CA/Agreement, Name and/or No.
NA

8. Well Name and No.
Fair 18 Federal #2

9. API Well No.
30-015-40472

10. Field and Pool or Exploratory Area
Cedar Lake; Glorieta-Yeso

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990' FNL & 330' FEL Sec 18, T17S, R31E, NMPM

11. Country or Parish, State
Eddy, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

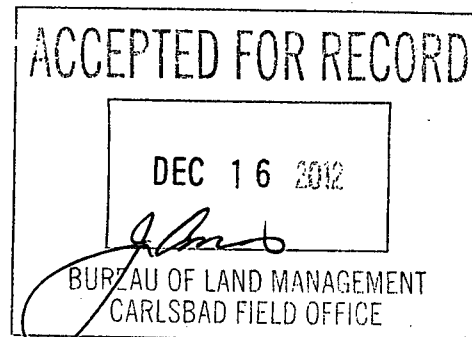
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Spud well on 9-12-2012

9-13-2012 - Drill to 385', set 360' 13 3/8", 9 jts 48#, H-40 surface pipe. Cement as follows:

20BBL-SEALBOND
150SKS THIXATROPIC @ 14.6
200SKS C+ 4% BENT + 2% CACL + .25LBS/BBL CELLO
400SKS C+2% CACL +2% CELLO

Called BLM (Cheryl) - no cement to surface, finished cementing to surface as follows using 1" pipe:
RUN IN HOLE WITH 1" AND TAG AT 140', PUMP 25 SKS OF C NEAT W/4% CACL, WOC
RUN IN HOLE WITH 1" AND TAG AT 140', PUMP 25 SKS OF C NEAT W/5% CACL, WOC
RUN IN HOLE WITH 1" AND TAG AT 140', PUMP 25 SKS OF C NEAT W/5% CACL, WOC
RUN IN HOLE WITH 1" AND TAG AT 140', PUMP 30 SKS OF C NEAT W/5% CACL, WOC
RUN IN HOLE WITH 1" AND TAG AT 140', PUMP 345 SKS OF C NEAT W/5% CACL, WOC
RUN IN HOLE WITH 1" AND TAG AT 119', PUMP 25 SKS OF C NEAT W/6% CACL, WOC
RUN IN HOLE WITH 1" AND TAG AT 90', PUMP 220 SKS OF C NEAT W/6% CACL, WOC
RUN IN HOLE WITH 1" AND TAG AT 37', PUMP 30 SKS OF C NEAT W/6% CACL, WOC
CEMENT TO SURFACE, WOC



14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Rodney K. Thomson

Title Production Manager

Signature

Date 09/19/2012

Accepted for record
NMOCD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are 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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)