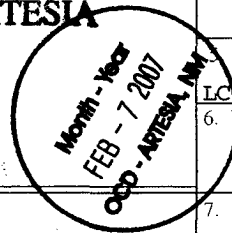


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007**S**

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.

Lease Serial No.

LC0624528A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Nearburg Producing Company

3a. Address

3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

3b. Phone No. (include area code)

432/686-8235

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660 FSL and 710 FWL, Sec 12-22S-25E

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

NM 106833 on

8. Well Name and No.

White Tip 12 Fed Com #1

9. API Well No.

30-015-31209

10. Field and Pool, or Exploratory Area
Revelation; Morrow (Gas)

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other Csg Leakand repair

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 recompleate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

FOR INFORMATION ONLY

NPC encountered a csg leak on the subject well. Please see attached procedure for repairs.

Accepted for record - NMOCD

2/7/07

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sarah Jordan

Title

Production Analyst

Date 1/30/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

APPROVED

FEB 5 2007
DateFREDERICK WRIGHT
PETROLEUM ENGINEER

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

White Tip 12 FederalRECOMMENDED PROCEDURE:H2S Coming From Casing Leak

- 1) MIRU PU. Bleed off pressure and Kill well. ND WH & NU BOP.
RIH w/prod tbg to or below part. Dump 10 sx sand on plug.
- 2) RU Bull Rogers to pull parted 5.5" casing (17 & 20#). Visually inspect casing. Send in for inspection. Replace any casing that is in bad condition .
RIH w/5.5 casing and screw into existing pipe. If we can't screw into existing pipe run Bowen type casing bowl/patch on 5.5" casing.
- 3) bowl/patch on 5.5" casing.
- 4) Fill casing w/7% KCL.
- 5) RU Schlumberger to run USIT casing inspection/cement bond log from 9500' to 2000'.
- 6) Depending on USIT results we have one of two options.
If the casing is in decent shape then we just RIH w/the on off tool & tbg and circulate pkr fluid. Swab well down to an equivalent 1600 to 1700# of hydrostatic head and pull the plug
or
Perf the casing above the cement and below the bad pipe and attempt to place cement up to the intermediate string at 2600'.
- 7) Return the well to production.