FORM APPROVED UNITED STATES Form 3160-5 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMEN ON CORS. Division Budget Bureau No. 1004-0135 (June 1990) Expires: March 31, 1993 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NMLCO29387C Do not use this form for proposals to drill or to deepen or reently 88 different reservoir. 6. If Indian, Allouse or Tribe Name Use "APPLICATION FOR PERMIT—" for such proposals 7, If Unit or CA, Agreement Designation 891011727078 SUBMIT IN TRIPLICATE 1. Type of Well Oil Gas Well Well 8. Well Name and No. Other KENWOOD FEDERAL #2 2. Name of Operator 9. API Well No. MOMENTUM OPERATING CO., 30-015-10133 3. Address and Telephone No. OCD - ARTESIA 10. Field and Pool, or Exploratory Area 1008 WEST BROADWAY, HOBBS, NM 88240 505/393-2727 SHUGART Y-SR-QU-GB 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 990 FNL 330 FWL SEC 29, T18S, R31E EDDY CO. NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12, TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Notice of Intent **New Construction** Recompletion Non-Routine Fracturing Plugging Back Subsequent Report Water Shut-Off Casing Repair Altering Casing Conversion to Injection Final Abandonment Notice Other CHANGE OF OPERATOR Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* As required by 43 CFR 3100.5(A) and 43 CFR 3162.3, We are notifying you of change of operator on the above referenced well. Momentum Operating Co., Inc. as new operator accepts all applicable terms conditions, stipulations and restrictions concerning operations conducted on this lease or portion of lease described. Bond Coverage NM2886 BLM Bond File No. Former Operator: Ready Oil and Gas Management Change of Operator Effective: 12/01/00 BUREAU OF LAND MANAGEMENT ROSWELL FIELD OFFICE 14. I hereby certify that the foregoing is true and correct 07/05/01 Agent Date Title (This space for Federal or State office use) Title Approved by _______ if any:

Title 18 U.S.C. Section 1001, 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.

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