

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

FORM APPROVED
 OMB No. 1004-0137
 Expires: October 31, 2014

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.
 MNMNM80166

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well
 Oil Well Gas Well Other **HOBBS OCD**

2. Name of Operator
 Cross Border Resources, Inc. **SEP 04 2012**

3a Address
 2515 McKinney Avenue Suite 900
 Dallas, Texas 75201

3b Phone No. (include area code)
 214.871.0400 **RECEIVED**

8 Well Name and No.
 Mountain Federal 2

9. API Well No.
 30-041-20462

10 Field and Pool or Exploratory Area
 Tomahawk-San Andres

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
 Section 30, T-7S, R-32E

11. County or Parish, State
 Roosevelt County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<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 recomplete 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 recompletion 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.)

As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3, we are notifying you of change of operator on the above referenced lease.

We as new operator, accept all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of the lease described. We meet all Federal bonding requirements as follows (43 CFR 3104):

Bond Coverage: Letter of Credit No. B004526
 BLM Bond File No.: NMB000546
 Bond Amount: \$25,000
 Bond Type: Oil & Gas

The effective date of change is July 27, 2012

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)
 Alan W. Barksdale

Title Chairman

Signature *Alan W Barksdale* Date 08/06/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **/S/ DAVID R. GLASS** PETROLEUM ENGINEER Date **AUG 30 2012**

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 **ROSWELL FIELD 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