

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OCD

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

NOV 12 2013

RECEIVED

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Acid Gas Injection		5. Lease Serial No. NMLC063798
2. Name of Operator Agave Energy Company		6. If Indian, Allottee or Tribe Name N/A
3a. Address 105 S. Fourth Street, Artesia, NM 88210	3b. Phone No. (include area code) 575-748-4528	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) At Surface: 1600 FSL, 150 FEL, Section 13, T 24S, R 33E, NMPM, Lea Co. NM At TD: Same as surface		8. Well Name and No. Agave Red Hills AGI #1
		9. API Well No. 30-025-40448
		10. Field and Pool, or Exploratory Area Exploratory (Cherry Canyon)
		11. County or Parish, State Lea County, NM

12. CHECK 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 Lengthen Borehole
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Packer Stage Tool
	<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 shall 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 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 site is ready for final inspection.)

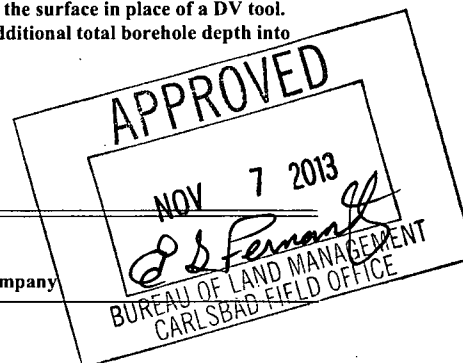
As discussed in our teleconversation on Monday, November 4, 2013 this sundry notice addresses two modifications to the approved plan. Agave Energy Co. requests two modifications to the approved Agave Red Hills AGI #1 well design: 1) increasing the total depth of the borehole from 6550 to 6650 feet, and 2) changing the cementing tool from a DV tool to a packer stage tool.

Increase the total depth of Red Hills AGI #1: The current planned depth is 6550 feet which is where the production casing will be set. The borehole needs to be drilled to approximately 6650 deet in order to provide space below the intended casing depth to allow the geophysical logging tools the ability to log the complete reservoir interval including the production casing seat.

Use packer stage tool instead of DV tool: A packer stage tool will be used to cement the production casing to the surface in place of a DV tool. Final cement volumes will be calculated with an equal amount of excess as in the approved plan taking the additional total borehole depth into consideration.

Original COA still Applies

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Michael W. Selke, Geolex		Title Consultant to Agave Energy Company
Signature <i>[Signature]</i>		Date 11/6/13



THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Ed Fernandez</i>	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)

MSB/OCD 11/13/2013