

UNITED STATES
DEPARTMENT OF THE INTERIOR **OCD-HOBBS**
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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

5 Lease Serial No
NM 02791 A

6. If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No.
North El Mar Unit
NM 70994 X DM

8 Well Name and No.
North El Mar Unit #56

9 API Well No.
30 025 08438

10. Field and Pool, or Exploratory Area
El Mar (Delaware)

11. County or Parish, State
Lea County, N.M.

1 Type of Well
 Oil Well Gas Well Other

2 Name of Operator
Sahara Operating Company

3a. Address
P.O. Box 4130, Midland, TX 79704

3b. Phone No. (include area code)
432/697-0967

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1935' FNL & 330' FWL, Sec 31, T26S, R33E, NMPM
Unit Letter "E"**

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"/> Subsequent Report	<input type="checkbox"/> Alter Casing
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Deepen
	<input type="checkbox"/> Fracture Treatment
	<input checked="" type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input checked="" type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other _____
	Test and return to injection

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 shall 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 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.)

Status report on TA well. We expect to move on this well for casing repair as soon as we are finished with work on NEMU # 28 (working on as of 5-25-2007) and NEMU #3. We wish to preserve this well bore for future EOR operations. Upon completion of work we will schedule MIT for Subsequent Report.

Complete repairs perform BLM witnessed MIT

APPROVED FOR 2 MONTH PERIOD

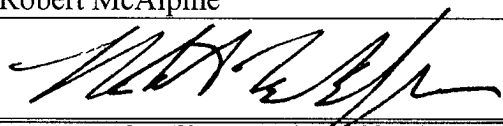
Wellbore Configuration: Casing: 4-1/2" @ 4738' ENDING 9/7/07
Perfs: 4635' -4639', 4716-4722' (blanked of w/CIBP @ 4675')
CIBP: 4585'

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

Robert McAlpine

Title **President**

Signature



Date **5/25/2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

APPROVED

MAY 7 2007

Wesley W. Ingram

WESLEY W. INGRAM
District Engineer

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 office of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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