

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires, July 31, 2010

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.
NMLC-054908

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
FAIR OIL, LTD.

3a. Address
P O BOX 689, TYLER, TX 75710

3b. Phone No (include area code)
(903) 592-3811

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

8. Well Name and No.
FAIR 18 FEDERAL #1

9. API Well No
30-015-39189

10. Field and Pool or Exploratory Area
CEDAR LAKE, GLORIETA-YESO

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FNL & 840' FEL SEC 18, T 17 S, R 31 E, NMPM

11. Country or Parish, State
EDDY 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 checked="" 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 off lease measurement
	<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 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 must 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 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)

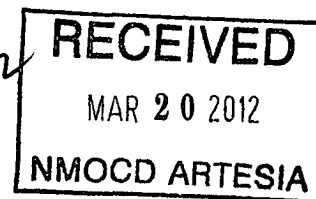
Fair Oil, Ltd. requests a variance for temporary off lease measurement as discussed this afternoon between Rodney Thomson and Duncan Whitlock.
Oil wil flow into frac tanks on the pad.
Holly Frontier driver will use a thief to measure BS&W and temprature in the frac tanks on the pad.
Oil will then be trucked by Holly Frontier to Holly Frontier's Maljamar station.
Oil will be unloaded through a LACT unit at the station.

Expect delivery of permanent production equipment before the end of March.

cc: Thomson

Accepted for record
NMOCD

105
3/27/2012



NOT GOING TO DO AS per Rodney Thomson

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

Title CONSULTANT (505 466-8120)

Signature

Date 03/07/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Returned /s/ JD Whitlock Jr

Title

LPE7

Date

3/18/12

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

CFO

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)