

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OM 8 No. 1004-0137
Expires: March 31, 2007**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
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator **Fairway Resources Operating, LLC**3a. Address
538 E. Silicon Drive, Suite 101, Southlake, TX 760923b. Phone No. (include area code)
817-416-19464. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2,100' FNL and 385' FEL Section 35-T17S-R27E5. Lease Serial No.
LC-050158

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Midnight Matador #5

9. API Well No.

10. Field and Pool, or Exploratory Area
Red Lake, Queen-Grbg-San Andres11. County or Parish, State
Eddy 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 type="checkbox"/> Other
	<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 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.)

Fairway Resources Operating, LLC requests approval to use 8 5/8" surface 20# casing instead of 24# casing as originally submitted on the APD dated October 9, 2006. Well is scheduled to spud December 8, 2006.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Cindy Flood**Title **Office Manager**

Signature

Cindy Flood

Date

12-4-2006**APPROVED****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

Date **DEC 6 2006****WESLEY W. INGRAM**

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)

**Midnight Matador #5
Fairway Resources Operating, LLC
December 6, 2006
Conditions of Approval**

Surface casing to be set at 300'. This setting depth is based on a determination by the BLM geologist to avoid protecting water and hydrocarbon bearing zones with the same casing string.

The 8-5/8" 20# X-65 8 round STC API thread limited service casing is approved for the surface casing to a setting depth of 300 feet with the following requirements.

- 1. Due to the thinner wall, a centralizer is to be installed on every other joint in addition to those required in Onshore Order No. 2.**
- 2. A wear ring is to be installed in the wellhead.**
- 3. No fresh aggressive hard band shall be run on drill pipe.**
- 4. Rubbers are to be installed on each drill pipe collar to avoid wearing through the thinner pipe wall.**

WWI 120606