

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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.

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SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

DEC 12 2007

2. Name of Operator

SOUTHWEST ROYALTIES, INC.

OCD-ARTESIA

3a. Address

6 Desta Drive, Suite 2100, Midland, TX 79705

3b. Phone No. (include area code)

(432) 688-3267

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

UNIT 1, 1980' FSL & 660 FEL, SEC. 10, T 17 S, R 30 3

5. Lease Serial No.

M - 074937

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

PARKE F FED. #3

9. API Well No.

30-025-20612

10. Field and Pool, or Exploratory Area

GRAYBURG-JACKSON-SR-Q-G-SA

11. County or Parish, State

EDDY

NM

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

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☒ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 final site is ready for final inspection.)

10-30-07 Move in to location. 10-31-07 Rig up.

10-31-07 thru 11-13-07 worked on getting into parted 4 1/2" @453'. 11-14-07 Wesley Ingram, BLM, o.k. to spot 30 sx. @2,540'. Push parted tbg. to bottom. TOF @2,540'. Spot 30 sx. cmt. Pull up hole. W.O.C.

11-15-07 Tag T.O.C. @2,262'. Darrell Carter, N.M. BLM witnessed spot 30 sx. @1,859'. Calculate T.O.C. @1,425'. Pull tbg. to 1,251'. Spot 30 sx. cmt. Calculate T.O.C. @1,496. Pull tbg. to 1,250'. Spot 50 sx. cmt. W.O.C. & tag @849'. P.O.O.H. w/tbg. N.D. B.O.P. T.I.H. w/tbg. to 503'. Mix & circulate cmt. to surface w/170 sx. cmt. P.O.O.H. w/tbg. 11-16-07 Tag @ 20'. Fill 8 5/8" to surface w/5 sx. cmt. R.D.M.O.

ACCEPTED FOR RECORD

DEC 8 2007

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDALL MINEAR

Title

AGENT

Signature

Date

11-19-07

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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, makes 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.

Accepted for record - NMOC

12/19/07