

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUN 27 2008

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

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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
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

JKM Energy LLC

3a. Address

26 East Compress Rd.

3b. Phone No. (include area code)

575-748-2854

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

990' SFL & 330' FEL of SBL 31, T22S R 28E

5. Lease Serial No

NM 24684

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Herradura Federal

9. API Well No.

4-30015247730

10. Field and Pool, or Exploratory Area

wildcat - Cherry Canyon

11. County or Parish, State

Eddy N.M.

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change of Operator
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 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.)

Change of Operator From Orla Petco, Inc. & Hopi Drilling
Company P.O. Box 1383, Midland, Texas 79702 to

JKM Energy, LLC. 26 E. Compress Rd, Artesia, N.M. 88210

Statewide Bond # NM 2802

5/1/08

OK to Authorize
J. Amos.

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

JACK MATTHEWS

Title MAN. MEMBER

Signature

JACK MATTHEWS

Date

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

MAY 15 2008

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)

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

TO: DUNCAN Whitlock / BLM

From: Jack Matthews / JKM Energy

Date: 5-13-08

DUNCAN,

As per our phone conversation this A.M., I AM
FAXING you a change of operator, and am currently
working on the wellbore assignment from Orla Petco
as soon as I receive the assignment back, and an approved
change of operator, I will re-enter the well, and
either produce it, or plug it. I am requesting a
90 day extension so I can get all of this done

Thank-you

Jack Matthews

(575) 948-2854