FORM APPROVED UNITED STATES OMB No. 1004-0137 OCD-ARTESIA DEPARTMENT OF THE INTERIOR Expires: July 31, 2010 BUREAU OF LAND MANAGEMENT 5 Lease Serial No. NMNM2748 STUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Bo not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 8. Well Name and No. Oil Well Gas Well Other GISSLER B #55 2. Name of Operator BURNETT OIL CO., INC. 9. API Well No. 3a. Addres 801 CHERRY STREET. SUITE 1500 | 3b. Phone No. (include area code) 30-015-37243 S1 CRANGE BURGES AND THE STANDARD RES 7RVS-UNIT #9 FORT WORTH, TX. 76102-6881 (817) 332-5108 ON-GR-SA 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State EDDY COUNTY, N.M. UNIT J. 2475' FSL. 2475' FEL. SEC 11, T17S, R30E 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat Reclamantion Well Integrity Other NEW WELL Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice 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 reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.) 1/21/2010 MIRU unit, RIH w/bit & DCs, tag up @ 4383' (PBTD.) Test casing to 1000 PSI-ok. POOH with all. RU wireline, perforate @ 4332',4337',4341',4361' and 4365'- total of 10 holes @ 2SPF. RD W/L. 1/22/10 RIH w/ RBP @ 4375' and pkr @ 4240', Acidize perfs w/1000 gals 15% NeFe acid. ND BOP, NU frac valve. 1/26/10 POOH w/tbg, pkr and RBP, RU W/L, set CIBP @ 4250', dump 30' of cement on top(Ten perfs from 4332' to 4365' are closed.) Perf @ 4040',4046',4046',4050', 4054'.4058'.4062' & 4067'-total 16 holes @ 2SPF. Acidize these 16 perfs w/4000 gals 15% NeFe acid. 2/01/10 Set CIBP @ 3960', dump 30' of cement on top(sixteen perfs from 4040' to 4067' are closed.) Perf @ 3640',3644',3648',3654',3689', 3693',3732',3736',3749',3753' & 3757'- total 22 holes @ 2 SPF. 2/02/10 Acidize these perfs w/2500 gals 15% NeFe acid. 2/7/10 POOH w/tbq & pkr, RU W/I, set CIBP @ 3550', dump 30' of cement on top(22 perfs from 3640' to 3757' are closed.) Perforate @ 3373'.3375'.3397', & 3399'- TTL 16 holes @ 4SPF. 2/08/10 Test CIBP to 1000#- ok. Acidize these perfs w/2500 Gals 15% NeFe acid. 2/11/10 RU W/L, perf @ 2836',2840',2935',2975' & 2979'- TTL 20 holes @ 4 SPF. GIH w/PKR & RBP. set RBP @ 3100', test plug to 1000#- held ok. Set pkr @ Acidize these perfs w/2500 gals 15% NeFe acid. 2/15/10 Release pkr & RBP, POOH w/all. ND BOP, NU frac valve. 2/16/10 RU Cudd, frac perfs 2836'-3357' w/363,711 gals slickwater 20.180# 100 mesh sand, 98,220# 40/70 sand. 2/18/10 First production FLOWING through casing to EXISTING POOL COMMINGLED Gissler B 3-1 Tank Battery on this lease 271 BO, 153 BW & 41 MCFG. 4/13/2010 GIH w/86 JTS (3417') 2-7/8" 6.50# J55 R2 EUE tubing, 4/14/2010 GIH w/pump & rods, Put well to pumping. 4/15/2010 Pump test of 75 BO, 350 BW, 184 MCFG. 14. I hereby certify that the foregoing is true and correct.) Name (Printed/Typed) MARK A. JACOBY **ENGINEERING MANAGER** THIS & PACE FOR FEDERAL OR STATE OFFICE USE 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 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 of agency States any false fictitious or fraudulent statements or representations as to any matter within its jurisdiction. f the United AND MANAGEMENT

CARLSBAD FIELD OFFICE

(Instructions on page 2)