

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.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Probity Operating, LLC

3a Address
110 W. Louisiana, Suite 325
Midland, TX 79701

3b Phone No. (include area code)
432-570-1122

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
898' FSL and 195' FEL
Section 5 T19S, R24E

5. Lease Serial No.
NM 103591

6. If Indian, Allottee or Tribe Name

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

8 Well Name and No.
Deliah No. 1

9. API Well No.
30-015-37344

10. Field and Pool or Exploratory Area
Penasco Draw/Atoka

11. Country or Parish, State
Eddy County, NM

RECEIVED

JUL 1 2010

NMOCD ARTESIA

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 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>Additionally</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>complete into the</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>Atoka Formation</u>

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 recomple 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 recompletion 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.)

It is requested that approval be granted to recomple the Deliah No. 1, which is currently producing from the Morrow Formation at 8428' to 8444', into the Atoka Formation at 8218-8314. The additional completion will entail setting a cast iron bridge plug 50 feet above the Morrow at 8378' to isolate the Morrow and perforating and acidizing the Atoka. The Atoka will be pressure tested and fracture treated if necessary and put on production under packer.

If the Atoka pressures permit, the bridge plug above the Morrow will be removed and the Atoka and Morrow will be commingled.

BOP equipment will consist of a 3000 psi double ram BOP and a 3000 psi annular BOP. No additional surface disturbance is anticipated. Only existing roads and surface facilities will be used. Only the existing pad will be used. All workover fluids will be handled according to New Mexico State closed loop rules. The well does not exist in an H2S defined area. However, HS2 response measures of locating fresh air packs and wind socks will be enacted.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Probity Operating, LLC OGRID No. 269709

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

Name (Printed/Typed)

Rached Hindi

Title Vice President - Operations Manager

Signature

Rached Hindi

Date 06/04/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Dustin Winkler

Title

Office

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.

APPROVED

JUN 28 2010

/s/ Dustin Winkler

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

DW

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 copies

Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-37344	² Pool Code 78550	³ Pool Name Penasco Draw / ATOKA
⁴ Property Code	⁵ Property Name DeLian	⁶ Well Number 1
⁷ OGRID No. 26979	⁸ Operator Name Probity Operating, LLC	⁹ Elevation 3782'

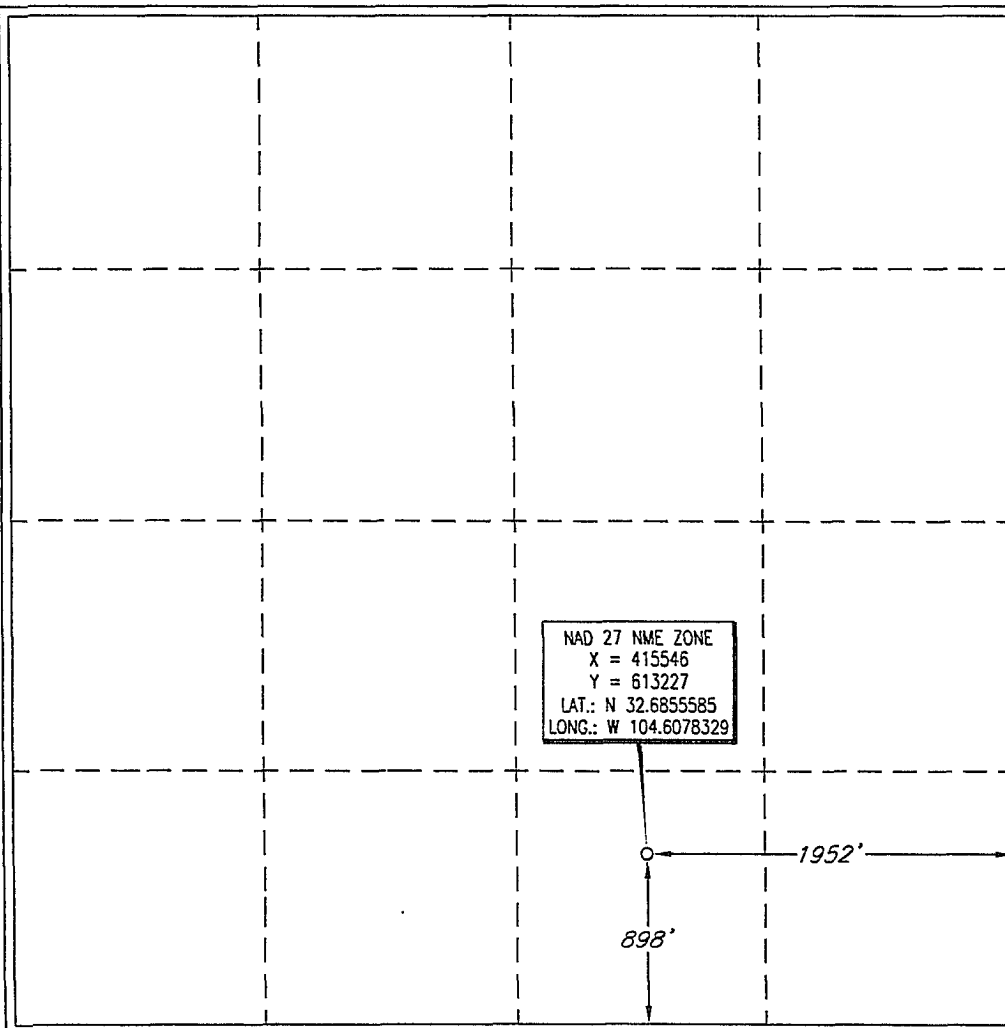
¹⁰ Surface Location

UL or lot no. 0	Section 5	Township 19 SOUTH	Range 24 EAST, N.M.P.M.	Lot Idn	Feet from the 898'	North/South line SOUTH	Feet from the 1952'	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Amithy Henry</i> Signature Amithy Henry Printed Name</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was placed on field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>18329 AUGUST 12, 2009 Date of Survey Signature and Seal of Professional Surveyor</p> <p><i>Michael Blake Brown</i> Signature Michael Blake Brown P.S. #18329 Certificate Number JOB #148868 / 76 NE / E.U.O.</p>

Probit Operating, LLC
NM-103591 – Deliah #1
API: 30-015-37344
Eddy County, New Mexico

RE: Plug back and Recomplete NOI – Conditions of Approval

There is to be no surface disturbance beyond the originally approved pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

3M BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

Down Hole Commingle order must be submitted and approved prior to removing CIBP. If the DHC cannot be approved, 35' bailed or 25sx pumped cement must be placed on top.

Submit subsequent report with wellbore diagram and completion report once work is completed.

DHW 062410