

**New Mexico Oil Conservation Division, District 1**  
**1625 N. French Drive**  
**Hobbs, NM 88240**  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**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.**

5. Lease Serial No.  
NMNM0199070A

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☒ Oil Well    ☐ Gas Well    ☐ Other

2. Name of Operator  
Canyon E&P Company

3a. Address  
911 Lake Carolyn Pkwy., Suite 104  
Irving, Texas 75039

3b. Phone No. (include area code)  
972-869-8005

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

8. Well Name and No.  
#3-1 (001J)

9. API Well No.  
30-005-20325

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
O-31-14S-30E    330 FSL    2310 FEL

10. Field and Pool or Exploratory Area  
DOUBLE L

11. Country or Parish, State  
CHAVES COUNTY, NEW MEXICO

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change of
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Operator

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 must 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 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.)

As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3, we are notifying you of a change of operator on the above referenced lease.

We, as new operator, accept all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease, or portion of the lease described.

BLM Bonds: NMB000707

The effective date of this change is 1 December 2010.

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

Title PRESIDENT

Signature

Date 12/10/2010

**ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by **/S/ DAVID R. GLASS**

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 400 and Title 46 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)