

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NMNM-081208
2. Name of Operator B C & D Oil & Gas Corp	6. If Indian, Allottee or Tribe Name
3a. Address 3001 Knox St, Ste 403 Dallas, TX 75205	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) (405) 366-7200	8. Well Name and No. South Hospah #2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310 FNL & 2310 FWL Sec 12, T17S, R9W	9. API Well No. 30-031-05139
	10. Field and Pool, or Exploratory Area Hospah Upper Sand, South
	11. County or Parish, State McKinley County, New Mexico

12. CHECK 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Plan of action for non-producing well.
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomplate 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 recomplate 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.)

Due to operations recently assumed by Apollo Resources International, Inc. the exact nature of this well & 13 other B C & D wells, identified on BLM letter dated March 14, 2005, as shut in is unknown.

Evaluation of history and possible cost associated with restoration is planned to identify the best wells to restore first.

If satisfactory with the BLM, our proposed plan is to schedule restoring four wells per month to active status beginning June 1, 2005. This schedule may be accelerated if restoration proves economically beneficial.

If work on any given well is suspended due to unanticipated problems severe to proceed, the well will be P&A'd or T&A'd with proper notification to the BLM.

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

Gaye Heard	Title Agent
Signature <i>Gaye Heard</i>	Date March 30, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title	Date APR 05 2005
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, 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)

NMOCD

3-1-04