

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCT 06 2008

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.

5. Lease Serial No. NM|NM 99705

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No. Eagle Springs 8 Federal #1H

2. Name of Operator High Plains Operating Company, LLC

9. API Well No. 30-043-20949

3a. Address
32700 Aspen Drive
Buena Vista, CO 81211

3b. Phone No. (include area code)
719-395-8059 719-207-0164 (Cell)

10. Field and Pool or Exploratory Area
Arena Blanca Entrada, Southeast (96899)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
263' FNL and 2545' FEL of section 8-T19N-R4W of the NMPM

11. Country or Parish, State
Sandoval County, NM

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 checked="" 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 _____
	<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	

10/10

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 recompleate 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 recompleation 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.)

High Plains Operating Company, LLC (HPOC) is operating with Bond No. NMB 000457.

HPOC has ceased water disposal and recompleated the Eagle Springs 8 Federal #1H well through a horizontal lateral in the Entrada formation. The well is equipped and HPOC has commenced oil production.

See accompanying State of NM OCD form C-102 and final "as drilled" directional survey.

A summary of HPOC's operations follows:

1. On Monday, August 11th, MIRU D.J. Simmons workover rig #112. Release packer on existing injection string, TOH and lay down 2 7/8" tubing.
2. On Wednesday, August 13th, MIRU Patterson-UT1 drilling rig #749. NU BOP and choke manifold. Test - all functions working properly.
3. Set 7" CIBP at 5,275'. TIH with rerun bit and csg scraper and set down on CIBP with 15,000 lbs. CIBP held. Pressure tested to 1,000 psi for 15 minutes and held.
4. Set whipstock at 5,274', with top of whipstock at 5,255'. Mill a window in the existing 7", 23#/ft L-80 casing from 5,255' to 5,266'.
5. RU PathFinder Energy Services, TIH with 6 1/4" bit, BHA and DP and drill curve section, landing curve at 5,878' (5,550' TVD) in the Entrada formation on Sunday, August 24th.

(Continued on next page)

RCVD OCT 7 '08
OIL CONS. DIV.
DIST. 3

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Arthur W. Butler III Title Manager - High Plains Operating Company, LLC

Signature *Arthur W. Butler III* Date 10/03/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by _____ Title _____ Date **SEP 06 2008**

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 **FARMINGTON 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 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

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6. On Monday, August 25th, after drilling to 6,191' in the Entrada (313' drilled), while making a connection, drill string got stuck. Estimate stuck with bit 34' off bottom, so bottom of fish at 6,157'. Drilling jars were in the string, but could not move DP. Weatherford fisherman on location by Monday evening. Good returns maintained while stuck. Back-off DP above window at 5,126', MU Weatherford jarring assembly, latch on and jar for two days with no movement of pipe whatsoever.
7. On Thursday, August 28th make contact with BLM and NM OCD and following their review, obtain verbal permission to back-off drill string above the window and attempt to produce well as is, leaving PathFinder BHA and DP in the hole.
8. MIRU Wireline Specialties and successfully back-off at 5,145', 110' above the top of the milled window from 5255' to 5266'. EQUIPMENT LEFT IN HOLE. Pathfinder BHA #3, consisting of 6 1/4" Hughes Christensen STX 20 rock bit, 1.5 degree adjustable motor, float sub, SAWR tool (for LWD), Advanced Battery Sub (ABS) for resistivity tool, dbl pin sub, non-magnetic drill collar (containing MWD transmitter, batteries, survey tools, etc.), and 2 non-magnetic flex joints. Total length of BHA #3 is 152.74'. Above BHA #3 is S-135 3 1/2" DP up the hole.
9. On Saturday, August 30th, RDMO Patterson-UTI rig #749.
10. On Monday, September 15th, MIRI D.J. Simmons workover rig #112. RIH with 2 7/8" tubing to 2,000' and commence swabbing. Swab drilling fluid, and by 3rd day, start to see oil. Swab 2 BOPH.
11. On Tuesday, September 23rd, after latching on to top of DP with cross-over sub, RU Jet West wireline and RIH with 40' perforating gun using WellTec tractor. Perforate DP from 5,976' to 6,016'.
12. Swab tubing while still latched on to DP. Swab 2-3 BOPH.
13. Unlatch from DP and POOH. Will produce from DP and annulus.
14. On Tuesday, September 30th, run 60/100/4100 National Oil Well PCP set at 1,976'.
15. On Wednesday, October 1st, run power and tie-in flow line to existing Eagle Springs property surface facilities.
16. On Thursday, October 2nd, turn on PCP pump.
17. On Friday, October 3rd, gauge 47 BO in 24 hours.