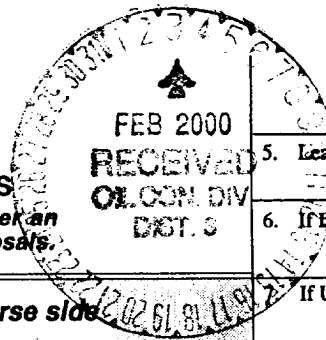


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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-03991
6. If Indian, Allottee or Tribe Name	
If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	Hill Federal #3
9. API Well No.	30-039-23801
10. Field and Pool, or Exploratory Area	Gavilan Mancos
11. County or Parish, State	Rio Arriba, NM

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other
2. Name of Operator NM&O Operating Company
3a. Address 6 East 5th St., # 200 Tulsa, OK 74103
3b. Phone No. (include area code) 918-584-3802
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 790' fnl & 790' fwl Sec. 36-T25N-R2W

12. CHECK 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 checked="" 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 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	

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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

November, 1999: Move in and set CMI 320 Pumping Unit.

November 20, 1999 thru November 23, 1999: MIRU Key Energy Services ("Key"). NDWH. NUBOP. POH w/228 jts. 2 3/4" tbg. MA set @ 7572', SN @ 7541'. RIH w/2" X 1 1/4" X 20' bottom hole pump on 205 3/4" rods and 96 7/8" rods. Hung well on. Clean location. Release Key.

December 16, 1999: Tied into El Paso gas meter and commenced gas sales and production operations.

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

Larry D. Sweet

Title

President

Signature

Date

12/23/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Land and Mineral Resources

Date

1-31-2000

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, makes 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.