UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

BED-HOBBS	
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FORM APPROVED OMB NO. 1004-0137

Expires March 31, 2007

5.	Lease	Serial	No.

SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side Type of Well 8. Well Name and No. X Oil Well Gas Well Other Mescalero Unit 6 Federal 2. Name of Operator #1 Nearburg Producing Company 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-025-37570 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705 432/686-8235 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) E-K; Bone Springs 660 FML and 1980 FWL, Sec 6-19S-34E 11. County or Parish, State NM CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off X Notice of Intent Acidize Deepen Production (Start/Resume) Fracture Treat Reclamation Well Integrity Alter Casing Subsequent Report Casing Repair New Construction Recomplete Other Soud, prod Plug and Abandon Temporarily Abandon Change Plans csq and cont Final Abandonment Notice Plug Back Water Disposal Convert to Injection 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 recomplete 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 recompletion 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 final site is ready for final inspection.) Spud @ 1800 hrs 8/11/06. Drld to 450'. RU csg crew and ran 13 jts 13-3/8" J55 61# STC csg. Set @ 450'. Cmt w/ 500 sxs Class C + Circ 200 sxs to surface. WOC 27 hrs. Cut off and weld on wellhead. Test csg to 1000 psi for 30 mins. OK. NU BOPE and test. FU BHA and TIH. Begin drilling int hole. 14. I hereby dertify that the foregoing is true and correct Name (Printed/Typed) Title Sarah Jorda Production/ Regulatory Analyst Date 8/17/06 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by 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.

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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