Form 3160-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR

OCD-ARTESIA OMB Expires:

5. Lease Serial No.

Temporarily Abandon

Water Disposal

FORM APPROVED OMB No. 1004-0135 Expires: January 31, 2004

BUREAU OF LAND MANAGEMENT 14 15 76

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.

Change Plans

Convert to Injection

NMNM-2938
6. If Indian, Allottee or Tribe Name

BOPE

| PD) for such proposals. | |
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| tructions our everse side | 7. If Unit or CA/Agreement, Name and/or No. |
| 200 A00 | 8. Well Name and No. Geronimo 23 Federal Com #1 |
| | 9. API Well No. |
| 3b. Phone No. (include area code) 505-393-5905 | 30-015-34925 10. Field and Pool, or Exploratory Area |
| ion) | Shugart Morrow 85300 11. County or Parish, State |
| | Eddy County, NM |
| TO INDICATE NATURE OF NOTICE, | REPORT, OR OTHER DATA |
| TYPE OF ACTION | |
| Deepen Production (S Fracture Treat Reclamation New Construction Recomplete | tart/Resume) |
| | 3b. Phone No. (include area code) 505-393-5905 ion) TO INDICATE NATURE OF NOTICE, TYPE OF ACTION Deepen Production (S Fracture Treat Reclamation |

3. 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 site is ready for final inspection.)

Plug and Abandon

Plug Back

08/07/06...TD'ed 8 3/4" hole @ 12150'. Bottom of hole was non-productive. Per approval with BLM, spot plug at 10831' to 10631' with 100 sks Class H. WOC. Attempt to tag plug, unsuccessful. Spot 2nd plug at 10831' to 10631' with 150 sacks Class H. WOC. Tag plug at 10548'. OK. Ran 5 1/2" 17# N80 LT&C casing to 9904'. Cemented with 850 sks BJ Lite Class H (35:65:6) cement with additives. Mixed @ 12.5 /g w/1.96 yd. Tail with 750 sks Class H cement with additives. Mixed @ 15.1 #/g w/ 1.28 yd. Lift pressure at 2750# at 2.5 BPM. At 11:00 pm 08/12/06, tested 5 1/2" casing to 3567# for 30 mins, held OK. Set 120k on slips.

08/14/06...Released rig at 7:00 am 08/13/06.

Final Abandonment Notice

08/19/06...Ran CBL and found TOC at 2960'.

ACCEPTED FOR RECORD

AUG 3 1 2006

PETROLEUM ENGINEER

14. 1 hereby certify that the foregoing is true and correct Name (PrintedlTyped) Title Hobbs Regulatory Kristi Green Signature Date 08/22/06 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Name Approved by (Signature) Title (Printed/Typed) Office 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. Accepted for record - NMOCD

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.