

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Oil Cons.  
N.M. DIV-Dist. 2  
1301 W. Grand Avenue  
Artesia, NM 88210

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**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. NMLC029387C
2. Name of Operator MOMENTUM OPERATING CO., INC.		6. If Indian, Allottee or Tribe Name -
3a. Address P O BOX 578, ALBANY, TEX 76430	3b. Phone No. (include area code) 325-762-3331	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SEC. 29, T18S, R31E		8. Well Name and No. KENWOOD BATTERY
		9. API Well No.
		10. Field and Pool, or Exploratory Area SHUGART, YT, 7R
		11. County or Parish, State EDDY CO., NM

**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 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 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 checked="" 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 shall 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 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.)

PRODUCED WATER FROM MOMENTUM'S KENWOOD WELLS #1Y, #2 & #5 IS TRANSFERRED VIA A 2" LINE FROM THE KENWOOD HEATER TREATER INTO A 210 BARREL FIBERGLASS WATER TANK 1515' SE OF THE KENWOOD HEATER TREATER TO MOMENTUM'S KENWOOD WELL #3. WATER IS PRODUCED FROM THE QUEEN & GRAYBURG FORMATIONS AND IS INJECTED INTO THE SAME FORMATIONS.

A REVISED SITE SECURITY DIAGRAM FOR THIS BATTERY IS ATTACHED.

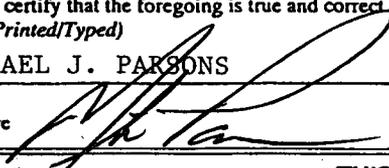
APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS ATTACHED

**APPROVED**  
SEP 3 2003  
LES BABYAK  
PETROLEUM ENGINEER

RECEIVED  
 2003 AUG 28 PM 12 49  
 BUREAU OF LAND MGMT.  
 CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed) MICHAEL J. PARSONS Title PRESIDENT

Signature  Date 8/28/03

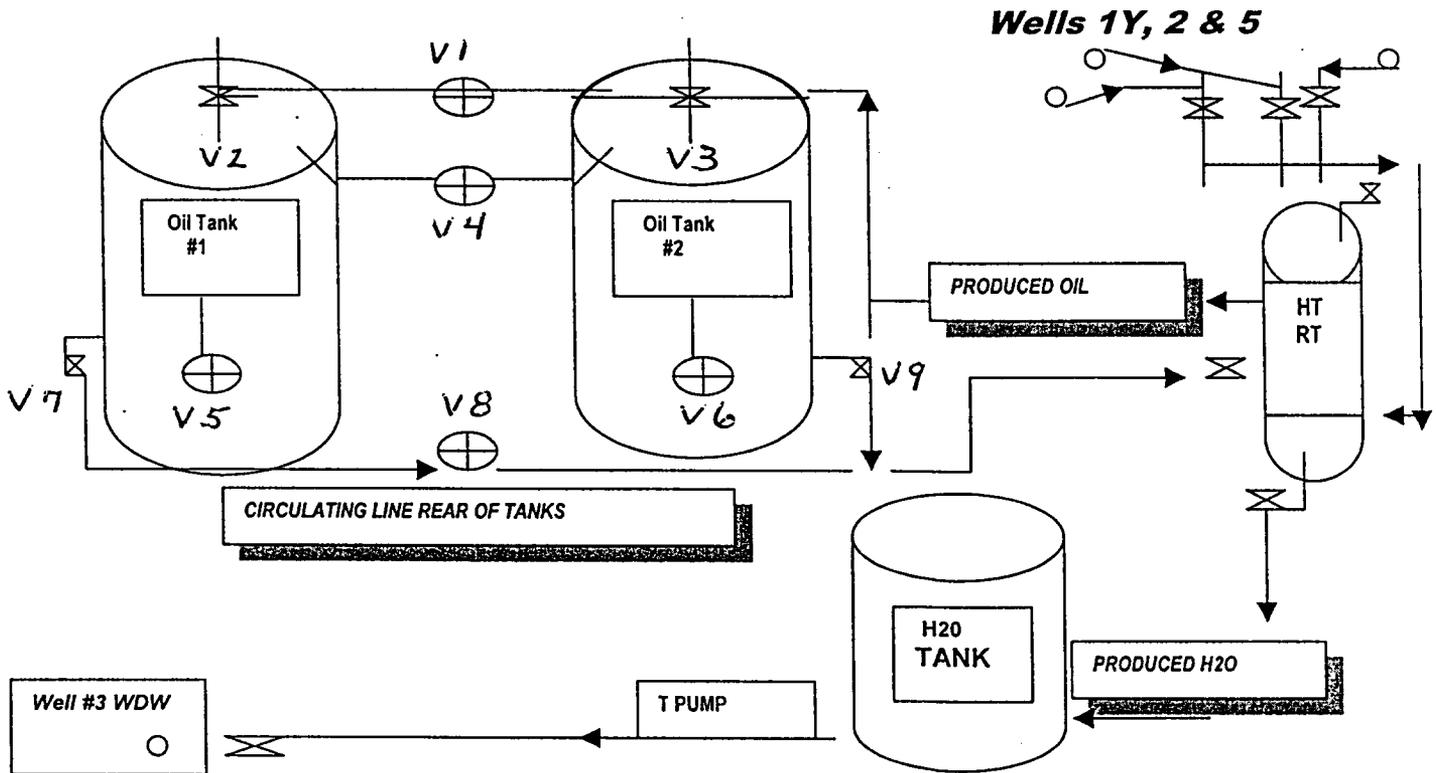
**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	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.	Office	

# SITE FACILITY DIAGRAM

**MOMENTUM OPERATING CO. INC.**  
**KENWOOD FEDERAL UNIT "E" TANK BATTERY**  
**NMLC - 029387C Section 29, T18S, R31E Eddy Co. New Mexico**

*Location of Site Plan: 232 So Main Albany Texas 76430*  
*Production System: Open      Oil Sales: Tank guage to truck*



**PRODUCTION PHASE (OT# 1)**

1. VALVE # 1 & # 2 OPEN
2. VALVE # 5 CLOSED/SEALED
3. VALVE # 7 & 8 CLOSED
4. VALVES ON OT # 2 POSITION
  - A. VALVES # 3 & # 9 CLOSED
  - B. VALVE # 4 OPEN OR CLOSED
  - C. VALVE # 6 CLOSED/SEALED

**SALES PHASE (OT# 1)**

1. VALVES # 1, # 4, # 8 CLOSED/SEALED
2. VALVE # 5 OPEN
3. VALVE # 7 CLOSED
4. VALVES ON OT # 2 POSITION
  - A. VALVE # 3 OPEN
  - B. VALVE # 6 CLOSED/SEALED
  - C. VALVE # 9 CLOSED

*APL* 8/28/03