

N.M. Oil Cons. DIV-Dist. 2  
1301 W. Grand Avenue

Form 3160-5  
(April 2004)

UNITED STATES **Artesia, NM 88210**  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

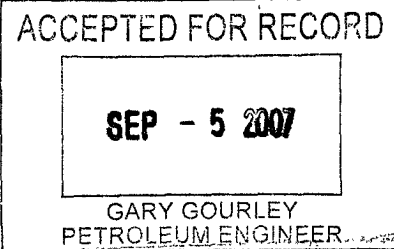
|                                                                                                                                  |                                                   |             |                                                                |
|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------|----------------------------------------------------------------|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |                                                   | SEP 14 2007 | 5. Lease Serial No.<br>NM 0223201                              |
| 2. Name of Operator<br>Slayton Resources, Inc.                                                                                   |                                                   | OCD-ARTESIA | 6. If Indian, Allottee or Tribe Name                           |
| 3a. Address<br>P. O. Box 2035, Roswell, NM 88202                                                                                 | 3b. Phone No. (include area code)<br>505-623-7184 |             | 7. If Unit or CA/Agreement, Name and/or No                     |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Section 10, T14S, R28E<br>660' FSL & 820' FWL          |                                                   |             | 8. Well Name and No<br>Lura Federal #1                         |
|                                                                                                                                  |                                                   |             | 9. API Well No.<br>30-005-62081                                |
|                                                                                                                                  |                                                   |             | 10. Field and Pool, or Exploratory Area<br>Sams Ranch Grayburg |
|                                                                                                                                  |                                                   |             | 11. County or Parish, State<br>Chaves County, New Mexico       |

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 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.)

Returned to Production July 31, 2007  
Produced 8 MCF in first 24 hours.



|                                                                                                             |  |                         |
|-------------------------------------------------------------------------------------------------------------|--|-------------------------|
| 14. I hereby certify that the foregoing is true and correct<br>Name (Printed/Typed)<br>April Denise Allison |  | Title<br>Agent          |
| Signature<br><i>April Denise Allison</i>                                                                    |  | Date<br>August 31, 2007 |

**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 _____                                                                                                                                                                                                                                              |             |            |

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)