

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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 page 2.		5. Lease Serial No. LC-063567
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator Saber Oil & Gas Ventures, LLC		7. If Unit of CA/Agreement, Name and/or No.
3a. Address 400 W Illinois, Suite 950 Midland TX 79701	3b. Phone No. (include area code) 432-685-0169/432-818-0407	8. Well Name and No. Yates 1270 & 18, 3 + 17
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) see attached		9. API Well No. 30-015-01023
		10. Field and Pool or Exploratory Area McMillan Seven Rivers Queen
		11. Country or Parish, State Eddy County, New Mexico

12. CHECK THE 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 checked="" type="checkbox"/> Other <u>change of</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Operator</u>
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

As required by 43 CFR 3100.05 A and 43 CFR 3162.3 we are notifying you of a change of operator on the above referenced lease. Saber Oil & Gas Ventures, LLC accepts all terms, conditions, stipulations and restrictions concerning the operations conducted on the lease effective 9/1/2008. Saber Oil & Gas Ventures, LLC meets Federal Bonding requirements as follows (43 CFR 3104)

Bond Coverage: Statewide

Bond No: NM00555 NMC000555

Doc ID: B004593

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED

MAR 7 2011
/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

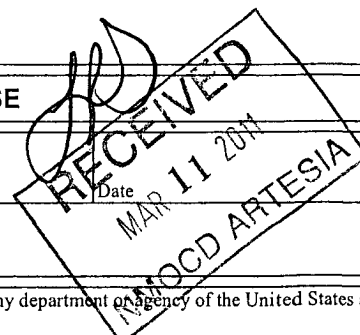
14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)	
Paula Dillard	Title Tech
Signature	Date 10/14/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title
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)



The SW/4 NW/4 and W/2 SW/4 of Section 5; the SE/4 and SE/4 SW/4 of Section 6; the N/2 NE/4 and EN/4 NW/4 of Section 7; and the NW/4 NW/4 of Section 8; all in Township 20 South, Range 27 East, NMPM, Eddy County, New Mexico

OCD District: Artesia

Property Well	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name	Last Selected Prod/Inj Wells
18895 YATES FEDERAL #001	F	A-7 -20S-27E	A	30-015-01035	O	45030	MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X
YATES FEDERAL #003	F	I-6 -20S-27E	I	30-015-01030	O	45030	MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X
YATES FEDERAL #007	F	J-6 -20S-27E	J	30-015-01023	I	45030	MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X
YATES FEDERAL #009	F	O-6 -20S-27E	O	30-015-01027	O	45030	MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X
YATES FEDERAL #018	F	I-6 -20S-27E	I	30-015-21241	O	45030	MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X

#1 330 FNL 990 FEL

#3 1650 FSL 330 FEL

#7 1650 FSL 1650 FEL

#9 330 FSL 1650 FEL

#18 1650 FSL 990 FEL

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Conditions of Approval

Saber Oil and Gas Ventures, LLC

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. All above ground structures and equipment on the lease shall be painted Shale Green (5Y 4/2). This is to be done within 90 days, if you have not already done so.
3. Submit for approval of water disposal method.
4. Submit updated facility diagrams as per Onshore Order #3
5. This agency shall be notified of any spill or discharge as required by NTL-3A.
6. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
7. Subject to like approval by NMOCD.