BU DIL CONS. COMISSION

Drawer DD Form 3160-5 C FORM APPROVED UNITED STATES Artesia, NM 86210 Budget Bureau No. 1004-0135 (June 1999) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 5. Lease Designation and Serial No. LC 064023 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do notuse this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well X Oil Well 8. Well Name and No 2. Name of Operator Saunders (2, 9, 10&11 Hanson Energy 9. API Well No. 3. Address and Telephone No See below R. 342 S. Haldeman Rd., Artesia, N.M. 88210 746-2262 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) See below. 11. County or Parish, State 990 FSL + 330 FEL S13 T17S R27E Eddy N.M. 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Commingle surface (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

This sundry notice is for permission to commingle surface oil

from these four wells;

Saunders #2 - API#300150043800S1 - Empire Yates Seven Rivers 990' FSL 330' FEL S13 T17S R27E

Saunders #9 - API#300150044300S1 - Red Lake, Qn, GRB, San Andres 660'FSL 660'FEL S13 T17S R27E

Saunders #10 - API#300152192400S1 - Red Lake, Qn, Grb, San Andres 1980'FSL S13 T17S R27E 660'FEL

Saunders #11 - API#300152206100S1 - Red Lake Qn, Grb, San Andres 1650'FEL S13 T17S R27E 2310'FSL

The existing tank battery to be used is located on S13 T17S R27E 660' FSL 660' FEL and consist of one 210bbl tank, One oil separator, and one 200bbl tank for salt water storage.

14. I hereby certify that the foregoing is true and correct Signed Warren Janson	Owner - Operator	5/4/93 Date
(This space for Federal or State office use) (ORIG. SGD.) JOE G. LARA Approved by Conditions of approval, if any:	PETROLEUM ENGINEER Tide	Date 30N 1 0 1993

Title 18 U.S.C. Section 1001, 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.