N.M Oil Con Division

Form 3160-5

as to any matter within its jurisdiction

DEPARTMENT OF THE INTERIOR 11 S 1st SC at BUREAU OF LAND MANY

BUREAU OF LAND MANAGEMENTATION AND 88210-2834 (JUNE 1990) Expires Merch 31, 1993 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS LC-060529 Do not use this form for proposals to drill or to deepen or reentry to a different reservoir 6. If Indian, Allottee or Tribe Name 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 Operato Beeson "F" Federal No. 24 Shahara Oil, LLC 3. Address and Telephone No 30-015-29878 207 W. McKay, Carlsbad, NM 88220 505-885-5433 10. Field and Pool, or Exploratory Area Loco Hills Queen Grayburg SanAndres 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Pansh, State 1340' FNL & 904' FEL. Unit H Eddy County, New Mexico Section 31, T17S, R30E CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Notice of Intent Abandonment Change of Plans Recompletion New Construction Non-Routine Fracturing Subsequent Report Pluoging Back Casing Repair Water Shut-Off Altering Casing Final Abandonment Notice X other-spud 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 zone.)* 01/25/98 Spud 12 1/4" hole @ 1100hrs MST. 01/27/98 Drill 12 1/4" hole to 523'. ran 12 jts 8 5/8" 24# ¥ 55 csg. Set @523' w/410 sx cmt. Did not circ. Cemented w/150 sx w/ 1" tbg. Circ. 01/28/98 Test csg to 1000psi for 30 mins. Held good. Drill out w/7 7/8" bit. -JHD ACCEPTE: FEB 1 7 1998 BLM 14. I hereby certify th Date __02/03/98 President Signed Perry L. Hughi Approved By Conditions of approval, if any

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and wilffully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as