Form 3160-5 UNITED STATES FORM APPROVED (June 1990) Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. LC-062085 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals RECEIVED 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well X Oil JAN 25 '91 8. Well Name and No. 2. Name of Operator Federal "F" #1 Southwest Royalties Incorporated O. C. D. 9. API Well No. 3. Address and Telephone No. ARTESIA, OFFICE P. O. Drawer 11390 - Midland, TX 79702 10. Field and Pool, or Exploratory Area (915) 686-9927 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) Shugart Yates 7 Rvrs-GRBG 11. County or Parish, State 660' FNL & 660' FEL of Sec. 31, T-18-S, R-31-E Eddy County New Mexico CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 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 Other Change ownership (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.)* Southwest Royalties Incorporated has assumed operations of subject well from Union Oil Company of California. Union Oil Company of California FORMER OPERATOR: P. O. Box 671 Midland, Texas 79702 Southwest Royalties Incorporated NEW OPERATOR: P. O. Drawer 11390 Midland, Texas 79702 February 1, 1991 EFFECTIVE DATE: 14. I hereby certify that the foregoing is true, and correct 1-23-71 2 - 1 - 91(This space for Federal or State office use) Title Date Conditions of approval, if any

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.