LM. Oil Cons. Division FORM APPROVED UNITED STATES Form 3160-5 Budget Bureau No. 1004-0135 BUREAU OF LAND MANAGEMENTS. 1st Stroet Expires: March 31, 1993 (June 1990) ia. NM 83210-2834 5. Lease Designation and Serial No. NMLCO29387C SUNDRY NOTICES AND REPORTS ON 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Well Well KENWOOD FEDERAL 2. Name of Operator RECEIVED 9. API Well No. MOMENTUM OPERATING CO., INC 30-015-22431 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area 505/393-2727 1008 WEST BROADWAY, HOBBS, NM 88240 SHUGART Y-SR-QU-GB 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1650 FNL 990 FWL SEC 29, T18S, R31E EDDY CO. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Abendonment Notice of Intent New Construction Recompletion Non-Routine Fracturing Plugging Back Subsequent Report Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Notice Other CHANGE OF OPERATOR Dispose Water (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.)* As required by 43 CFR 3100.5(A) and 43 CFR 3162.3, We are notifying you of change of operator on the above referenced well. Momentum Operating Co., Inc. as new operator accepts all applicable terms conditions, stipulations and restrictions concerning operations conducted on this lease or portion of lease described. APPROVED Bond Coverage NM2886 BLM Bond File No. Former Operator: Ready Oil and Gas Management JUL - 9 2001 Change of Operator Effective: 12/01/00 LINDA A. ASKWIG BUREAU OF LAND MANAGEMENT ROSWELL FIELD OFFICE

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.

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