

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**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 reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM019403
2. Name of Operator PHOENIX HYDROCARBONS OPERATING CORP		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 3638, MIDLAND, TX 79702	3b. Phone No. (include area code) 432-686-9869	7. If Unit or CA/Agreement, Name and/or No. 26854
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1455' FNL & 1105' FEL; H; Sec 14; T-27N; R-8W		8. Well Name and No. Largo Federal #3B
		9. API Well No. 30-045-30805
		10. Field and Pool, or Exploratory Area Blanco Mesaverde
		11. County or Parish, State San Juan County, NM

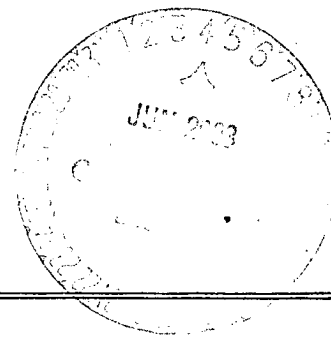
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 checked="" 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 Drill
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recompleate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Phoenix is requesting that the expiration date for this approved Application to Drill be extended 12 months. The application was originally submitted 8/20/01 and approved 11/7/01 with an expiration date of 11/7/02. Phoenix did drill 4 wells in the San Juan Basin in 2002, but this one was not drilled.

- This approval expires: NOV 7 2003



14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Phyllis R. Gunter	Title Agent
Signature <i>Phyllis R. Gunter</i>	Date 5/14/03

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <i>/s/ Jim Lovelo</i>	Title Office	Date JUN - 2 2003
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.		

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.

NMOCD