

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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  
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator  
**Finley Resources, Inc.**

3a. Address  
**1308 Lake Street, Ste. 200, Fort Worth, TX 76102**

3b. Phone No. (include area code)  
**817-336-1924**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1980' FWL & 1980' F&L of Section 16- T20N - R3W NMPM**

5. Lease Serial No.  
**NMNM105185**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**San Isidro 16-10**

9. API Well No.  
**30-043-20719**

10. Field and Pool, or Exploratory Area  
**Rio Puerco**

11. County or Parish, State  
**Sandoval County, NM**

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

**TYPE OF SUBMISSION**

**TYPE OF ACTION**

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

- ☐ Acidize  
☐ Alter Casing  
☐ Casing Repair  
☐ Change Plans  
☐ Convert to Injection

- ☐ Deepen  
☐ Fracture Treat  
☐ New Construction  
☐ Plug and Abandon  
☐ Plug Back

- ☐ Production (Start/Resume)  
☐ Reclamation  
☒ Recomplete  
☐ Temporarily Abandon  
☐ Water Disposal

- ☐ Water Shut-Off  
☐ Well Integrity  
☐ Other

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 recompleat 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 recompleat 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.)

The drilling of the horizontal lateral in No. 10 San Isidro 16 located 1980' FSL & 1980' FEL sec. 16, T. 20 N., R. 3 W., Sandoval County, New Mexico Lease NMNM-105185 has not commenced as of yet. We were waiting on the results of log interpretation on the No. 8 San Isidro 16 drilled and logged December 10, 2006 by our partner High Plains Petroleum to verify orientation of the fractures in the Gallup formation.

Weather has also been a factor in our delay. The location has been very wet for the past three months and mobilizing a drilling rig would have done considerable damage to dirt roads that lead to this location. If the weather continues to cooperate, we should be able to commence operations early June 2007.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Crystal Martinez**

Title **Production Analyst**

Signature

Date

**03/17/2007**

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

Approved by

**Original Signed: Stephen Mason**

Title

Date

**MAR 27 2007**

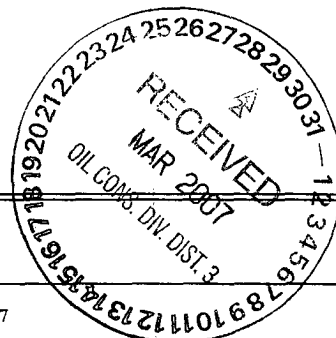
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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.

(Instructions on page 2)

**NMOCD**



Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103

May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-043-20719
5. Indicate Type of Lease LEASE <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NMNM105185
7. Lease Name or Unit Agreement Name San Isidro 16
8. Well Number 10
9. OGRID Number 180387
10. Pool name or Wildcat Rio Puerco

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
Finley Resources, Inc.

3. Address of Operator  
1308 Lake Street, Ste. 200, Fort Worth, Texas 76102

4. Well Location  
Unit Letter \_\_\_\_\_ : 1980' \_\_\_\_\_ feet from the \_\_\_\_\_ South \_\_\_\_\_ line and \_\_\_\_\_ 1980' \_\_\_\_\_ feet from the \_\_\_\_\_ East \_\_\_\_\_ line  
Section 16 Township 20N Range 3W NMPM County Sandoval

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
RKB

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_  
Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: COMMENCE DRILLING OPNS ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The drilling of the horizontal lateral in No. 10 San Isidro 16 located 1980' FSL & 1980' FEL sec. 16, T. 20 N., R. 3 W., Sandoval County, New Mexico Lease NMNM-105185 has not commenced as of yet. We were waiting on the results of log interpretation on the No. 8 San Isidro 16 drilled and logged December 10, 2006 by our partner High Plains Petroleum to verify orientation of the fractures in the Gallup formation.

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hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE James L. Nance TITLE: Western District Manager DATE 3/20/07

Type or print name James L. Nance E-mail address: jim.nance@finleyresources.com Telephone No. (817) 231-8727

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):