

RCVD APR 20 07
OIL CONS. DIV.

Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APD 3
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.

2007 APR 16 AM 11:25
5. Lease Serial No. NMBM 099705
6. If Indian, Allottee or Tribe Name

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

8. Well Name and No. Eagle Springs 8 Federal #2M

9. API Well No. 30-043-20950

10. Field and Pool or Exploratory Area
Arena Blanca Entrada Southeast 96899

11. Country or Parish, State
Sandoval County, New Mexico

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

High Plains Operating Company, LLC

3a. Address

2130 Fillmore Street, #211
San Francisco, CA 94115

3b. Phone No. (include area code)

415-567-0446

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

330' FNL and 2,275' FEL
Section 8 - T19N - R4W of the NMPM

R-11374 NSP

12. CHECK THE 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 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 type="checkbox"/> Other
	<input checked="" 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 recomple 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

High Plains Operating Company, LLC is operating with Bond No. NMB 000457.

1. Due to the water sensitive nature of the objective Entrada reservoir, High Plains Operating Company, LLC (HPOC) now plans to move a drill rig onto the subject well and deepen from 3,850' to approximately 10' to 20' above the Entrada formation in the overlying Todillo formation. Anticipated casing point depth is now 5,530' to 5,540'.

2. As the reservoir will not be drilled, HPOC then plans to set the 4.5" casing without running open-hole logs across the newly drilled interval. This well is a twin (i.e. approximately 250' away) to the Eagle Springs 8 Federal #1 well—the original Entrada producer in the field, and an excellent suite of open-hole logs were run in the #1 well. HPOC feels we have excellent log information about the zones to be penetrated.

3. HPOC now anticipates the subject well will be an Entrada producer and the Eagle Springs 8 Federal #1 well will be a salt-water disposal well, also in the Entrada formation.

4. The 4.5" casing used will be 10.5# weight, not 11.6# as specified in the original APD. The cementing procedure will be the same as outlined in the approved APD.

5. Once the 4.5" casing is set, HPOC will move off the drill rig and move in a workover rig.

6. HPOC will then drill the remaining 10' to 20' of hard Todillo formation and drill into the top 10' of Entrada porosity with air mist. The Entrada will be completed "open-hole" with no additional tubulars set below the 4.5" casing.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Richard Mrlik

Title Manager, High Plains Operating Company, LLC

Signature

Date 04/12/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy L. Salvers

Title Petroleum Engineer

Date 4/17/2007

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 FFO

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