

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 [X] Oil Well [] Gas Well [] Other
2. Name of Operator CrownQuest Operating, LLC
3a. Address c/o Box 953, Midland, TX 79702
3b. Phone No. (include area code) 432 684-6381
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 660' FEL, Sec 35, T13S, R33E, NMPM, Lea County, NM

5. Lease Serial No. NM 01124
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Willard Beauty, Well #4
9. API Well No. 30 025 21919
10. Field and Pool, or Exploratory Area Lazy J
11. County or Parish, State Lea

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

Table with columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for 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 recomplete 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 recompletion 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.)

Proposed T/A procedure:
Notify NMOCD/BLM district offices.
Move in and rig up wireline, RIH w/4.75" gauge ring to 9735'.
Run in hole w/10,000 psi CIBP and set @ 9675'. TOC by TS is 7928'.
Run in hole with dump baller and dump 20' of cement on top of CIBP.
Rig down wireline, rig up pump truck, load and test CIBP to 500 psi for 30 minutes.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

SUBJECT TO LIKE APPROVAL BY STATE

Approved For 12 Month Period 9/27

APPROVED SEP 28 2006 FREDERICK WRIGHT PETROLEUM ENGINEER Received stamp with date OCT 2006 and handwritten numbers 22, 23, 24, 25, 26, 27, 28.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Ann E Ritchie
Signature [Handwritten Signature]
Title Regulatory Agent
Date 09/21/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____
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)

GWN

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Operator must set the CIBP within 50 feet of the current perforations.