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Form 3160-3 (April 2004)

SEP 28 2009

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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

HOBBSON DUNDY 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 [X]
2. Name of Operator Dakota Resources
3a. Address 4912 N. Midkiff, Midland Texas, 79705
3b. Phone No. (include area code) (432) 697-34
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 1980' FEL Sec 18, T20S - R34E

5. Lease Serial No. LC02512C
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Federal #1
9. API Well No. 30-025-08463
10. Field and Pool, or Exploratory Area Teas Yates (7-Rivers)
11. County or Parish, State Lea Co New Mexico

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, Deepen, Production (Start/Resume), Water Shut-Off, etc.

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 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.

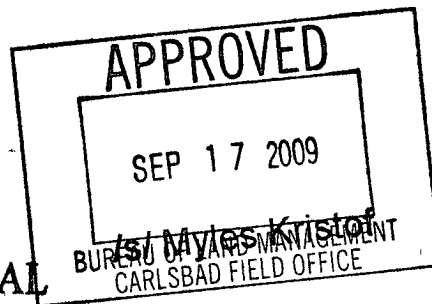
Proposed:

- 1) Acidize OH 3500' - 3825' w/ 1,000 gals of 15% HCL
2) Swab back and determine wtr cut
3) Acidize perms 3350' -3410' w/ 500 gals of 15% HCL
4) Swab back and determine wtr cut
5) Return well to production
6) Evaluate for fracture stimulation

Daily Report to follow.

Rig moving to location estimated 9/4/2009

SEE ATTACHED FOR CONDITIONS OF APPROVAL



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

Robert G. Turner

Title Operations Engineer

Signature

[Handwritten Signature]

Date

09/01/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PERMISSION ENGINEER

Date

SEP 28 2009

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

[Handwritten Initials]

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)

**Federal #1
30-025-08463
Dakota Resources
September 17, 2009
Conditions of Approval**

- 1. Surface disturbance beyond the existing pad must have prior approval.**
- 2. Subsequent sundry stating work performed / date well was returned to production along with a new well test is required to be submitted.**

MAK 091709