

N.M. Oil Cons. Div-Dist. 2
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1301 W. Grand Avenue
Alamosa, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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		RECEIVED JUL 22 2004 BBL-ARTESIA	5. Lease Serial No.
2. Name Of Operator MCKAY OIL CORPORATION			6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 2014 ROSWELL, NM 88202-	3b. Phone No. (include area code) 505-623-4735		7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 12, T6S, R22E Chaves County, NM 660' FNL & 1485' FWL			8. Well Name and No. LL&E Federal #3
			9. API Well No. 30-005-62462
			10. Field and Pool, or Exploratory Area WEST PECOS ABO SLOPE
			11. County or Parish, State CHAVES 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 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<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. Described 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.)

MCKAY OIL CORPORATION due to an incompilance requested an extension on 6/25/04 to get parts and vendors in place. McKay Oil Corporation proposes to re-enter the LL&E Federal #3 well bore, set CIBP at about 2750, a whipstock, cut a window in the 4 1/2csg and drill a deviated hole down to 2900 ft. Set 2 3/8 tubing as a liner, perforate the ABO sand zone and stimulate.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) APRIL D. MCKAY	Title VICE PRESIDENT
Signature 	Date 7/9/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title P E	Date 7/20/04
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 R F i	