

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

Month - Year  
APR 26 2007  
OCD-ARTE, NM

**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  
**Fairway Resources Operating, LLC**

3a. Address  
**538 Silicon Drive, Suite 101, Southlake, TX 76092**

3b. Phone No. (include area code)  
**817-416-1946**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**990' FNL & 1650' FEL, Section 35-T17S-R27E**

5. Lease Serial No.

**LC-055561**

6. If Indian, Allottee or Tribe Name

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

**NM 109695X**

8. Well Name and No.

**South Red Lake II Unit #4**

9. API Well No.

**30-015-01231**

10. Field and Pool, or Exploratory Area

**Redlake, QN, GB, SA**

11. County or Parish, State

**Eddy County, NM**

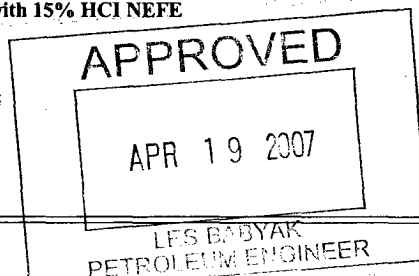
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" 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 checked="" 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. 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 must 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 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.)

**7" casing set at 1,323', cemented with 50 sacks  
TD 1,643', open-hole 1,323' - 1,643'  
Current status: oil well**

**MIRU workover unit, POOH with rods, pump, and tubing  
TIH with 6 1/4" bit and workstring. Drill and deepen from current TD of 1,643' to 2,500'  
Circulate hole clean. Run 4 1/2" casing and cement, cement volume sufficient to bring cement above 7" casing shoe at 1,323'.  
Run cased hole GRN-CCL and perforate the upper San Andres interval between 2,000' and 2,390' with approximately 30 - 35 holes.  
Set treating packer approximately 75' above top perforation and acidize San Andres interval with 15% HCl NEFE  
Swab and test San Andres interval. POOH with tubing and treating packer.  
Fracture stimulate San Andres interval via production casing.  
Run 2 3/8" tubing, pump, and rods. Place well on production and test.**



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

**Kenneth Pearce**

Title **Operations Engineer**

Signature

*Kenneth Pearce*

Date

**04/11/2007**

**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)

**Accepted for record - NMOCD**

4/26/07