

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OM B 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  
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
*Marshall + Winston, Inc.*3a. Address *P.O. Box 50880*  
*MILANO, TX. 79710-0880* 3b. Phone No. (include area code)  
*432-684-6373*4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
*660 FSL + 1980 FEL, Unit 0, Sec. 23**T22S, R28E* **SUBJECT TO LIKE APPROVAL BY STATE**

5. Lease Serial No.

*LC-069157*

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

*Dublin Federal 23 #1*

9. API Well No.

*30-015-34879*

10. Field and Pool or Exploratory Area

*Loving Brushy Canyon East*

11. County or Parish, State

*Eddy, 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <i>Permit to FLARE GAS</i>
	<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 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.)

*Requesting Approval for exception to NO-FLARE NMACD Rule 306. Exception being requested for following reasons (1) To determine gas market in area (2) Obtain ROW and install pipeline to gas market (3) To obtain and install H<sub>2</sub>S removal equipment (4) To avoid potential for formation damage to producing reservoir by an extended shut in period. Request may be amended at a later date to allow flaring during interruptions in production activities due to safety considerations.*

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

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

Title

*Vice President***ENTERED  
IN AFMSS**

Signature

*Tom M Brandt*

Date

*5-11-07*

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

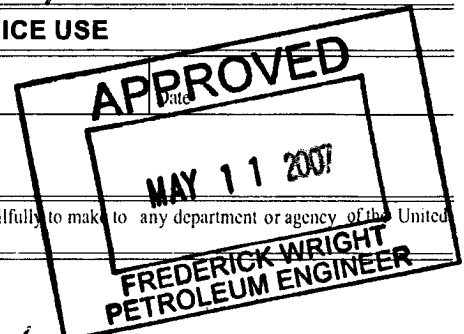
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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

*5/17/07*

May 11 07 10:09a

WILDCAT MEAS &amp; KELTIC SER (505)748-9852

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## Wildcat Measurement Service

P.O. Box 1836

Artesia, New Mexico 88211-1836

TollFree #888-421-9453

Office #505-746-3481

"Quality and Service is our First Concern"

PDS 06/25/00

Run No. 270425-04

Date Run 04/25/2007

Date Sampled 04/24/2007

Analysis for: MARSHALL &amp; WINSTON, INC.

Well Name: DUBLIN FEDERAL "23" #1

Field: S. CARLSBAD

Sta. Number:

Purpose: SPOT

Sampling Temp: DEG F

Volume/day:

Pressure on Cylinder: 40.0 PSIG

GPANGL L62

Producer: MARSHALL &amp; WINSTON, INC.

County: EDDY

State: NM

Sampled By: CRAIG SUTHERLAND

Atmos Temp: 71 DEG F

Formation:

Line Pressure: 53.2 PSIA

## GAS COMPONENT ANALYSIS

Pressure Base: 14.7300

		Mol %	GPM
Carbon Dioxide	CO2	0.0448	
Nitrogen	N2	3.9268	
Hydrogen Sulfide	H2S	0.2000	
Methane	C1	57.9457	
Ethane	C2	17.0998	4.5706
Propane	C3	12.6062	3.4710
Iso-Butane	IC4	1.6071	0.5257
Nor-Butane	NC4	3.8875	1.2255
Iso-Pentane	IC5	0.8637	0.3161
Nor-Pentane	NC5	0.8508	0.3081
Hexanes Plus	C6+	0.9676	0.4221
TOTAL		100.0000	10.8391

Real BTU Dry: 1515.84  
 Real BTU Wet: 1489.46  
 Real Calc. Specific Gravity: 0.9204  
 Field Specific Gravity: 0.0000

Standard Pressure: 14.6960

BTU Dry: 1503.72

BTU Wet: 1477.55

Z Factor: 0.9943

W Value: 1.2521

Avg Mol Weight: 26.5174

Avg CuFt/Gal: 51.3367

26 Lb Product: 1.5602

Methane+ GPM: 20.6607

Ethane+ GPM: 10.8391

Propane+ GPM: 6.2685

Butane+ GPM: 2.7975

Pentane+ GPM: 1.0463

## REMARKS:

H2S IN GAS STREAM: 0.2000% = 2.000 PPM

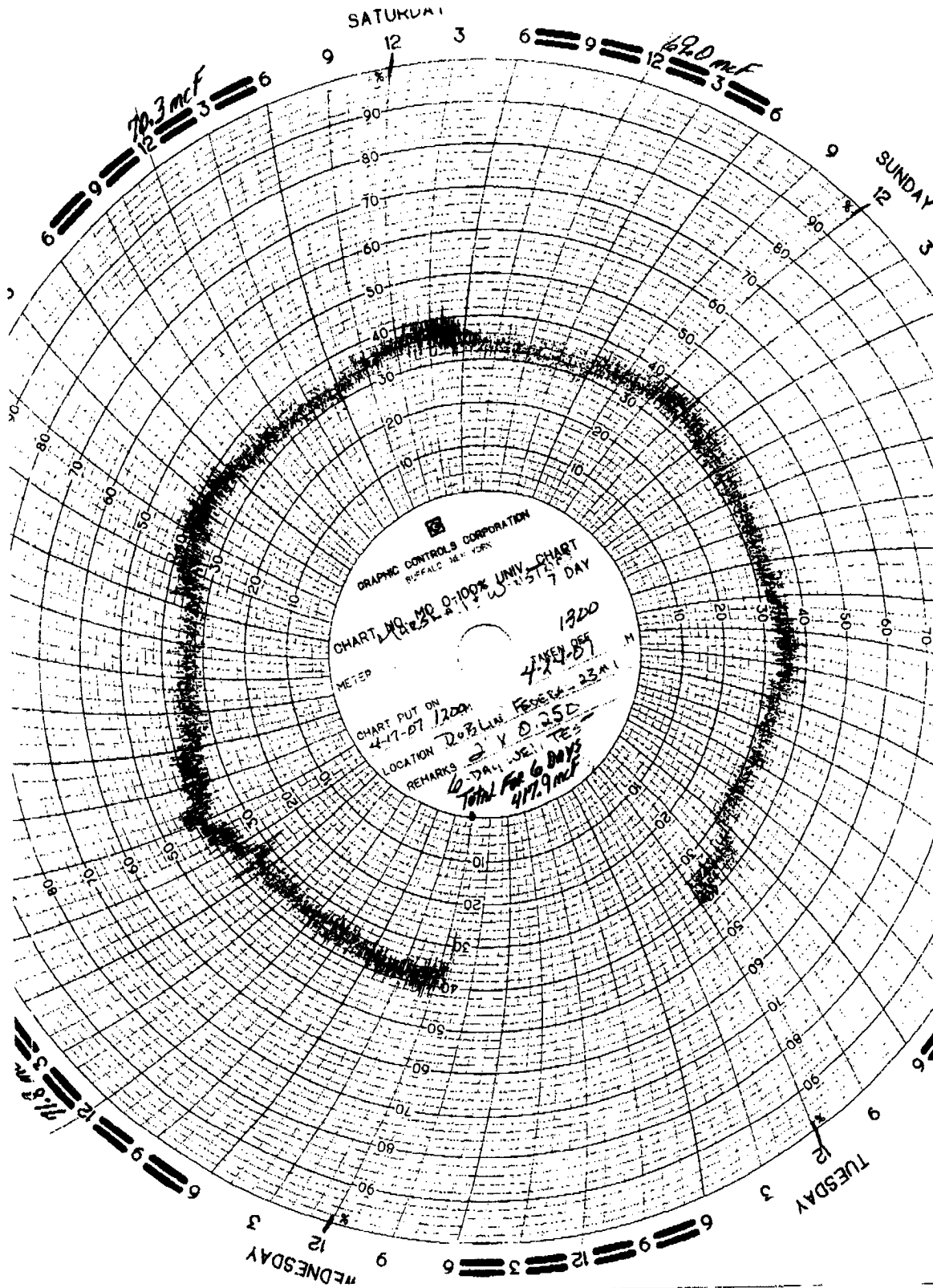
Approved by: DON NORMAN

Wed Apr 25 15:37:15 2007

May 11 07 10:09a

WILDCAT MEAS &amp; KELTIC SER 15051748-9852

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## **SUNDRY NOTICE SPECIAL STIPULATIONS**

1. Approval is granted to flare the gas from the well specified in this sundry on an intermittent basis to maintain operating integrity of the production equipment and to maintain compliance with the shut in standards:
2. This venting will be limited to a maximum of 144 hours per month in compliance with NTL-4A III.A, however **this approval does not constitute a waiver of royalty obligations.**
3. An analysis for the well showing that at current production rates, the energy equivalent of the oil produced exceeds the energy equivalent of the gas produced.
4. Some statement in support of the conditions that NTL-4A IV.C requires the operator to satisfy. To include but not limited to:
5. Identification of the closet sales point for gas with this H2S content and the cost of connecting to that point of sale if available. Or:
6. Projected costs of constructing gas separation facilities that will reduce the H2S content of the gas to the point that operator's former purchaser will again purchase the gas.
7. Economic cash flow projection showing the costs and revenue associate with either or both of these scenarios.
8. A radius of exposure calculation for this well at this H2S concentration.
9. **This approval is granted through 6/11/07 to allow for time to file information required above.**

**Engineering**  
**can be reached at 505-706-2779 for any variances that might be necessary.**

**F Wright 5/11/07**