

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

☐ Oil Well☒ Gas Well☐ Other

SEP 07 2007

2. Name of Operator

ENCORE OPERATING, L. P. (BILLY JUROSKA 817-339-0788)

3a Address 777 MAIN STREET SUITE 1400
FORT WORTH, TEXAS 761023b. Phone No. (include area code)
817-877-9955

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FNL & 990' FEL SECTION 12 T21S-R23E EDDY CO. NM

5. Lease Serial No.

NM-81677

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

ENCORE "12" INDIAN COM. # 1

9. API Well No.

30-015-35632

10. Field and Pool, or Exploratory Area

INDIAN BASIN-MORROW

11. County or Parish, State

EDDY CO. NEW MEXICO

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"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other Change to aerated drilling fluid.
			Set DV tool at 700'±

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 recomplate 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.)

1. Encore Operating, L. P. requests the approval to aeriate the drilling fluid after it lost circulation at 740'±. Then drill to 1400'± to set surface casing.
2. Set DV Tool at 700'± in order to circulate cement to surface in order to protect fresh water

Approval for aerated mud,

Air drilling will require additional approval
if that is needed.

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

Joe T. Janica

Title Agent

Signature

Date 08/31/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date AUG 31 2007

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

WESLEY W. INGRAM

PETROLEUM ENGINEER

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.