Form 3160-5 (August 2007)

New Mexico Oil Conservation Division, District I

UNITED STATES Ch Drive DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

5. Lease Serial No. NMNM017354 317354

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

fictitious or fraudulent statements of representations as to any matter within its jurisdiction.

(Instructions on page 2)

abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. Double L Queen Unit 1. Type of Well 8. Well Name and No. #10-1 (#001A Oil Well Gas Well Other 2. Name of Operator Canyon E&P Company 9. API Well No. 30-005-23320 20.720 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 911 Lake Carolyn Pkwy., Suite 104 Irving, Texas 75039 DOUBLE L 972-869-8005 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State CHAVES COUNTY, NEW MEXICO L-06-15S-30E Lot: 6 1980 FSL 660 FWI 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ___ Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete Other Subsequent Report Change of Change Plans Plug and Abandon Temporarily Abandon Operator Final Abandonment Notice Convert to Injection Plug Back 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 recomplete 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 recompletion 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.) As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3, we are notifying you of a change of operator on the above referenced lease. We, as new operator, accept all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease, or portion of the lease described. BLM Bonds:NMB000707 The effective date of this change is 1 December 2010. 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) J. MICHAEL MYERS Title PRESIDENT Date 12/10/2010 Signature ACE FOR FEDERAL OR STATE OFFICE USE Approved by 2011 JAN 2.1 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 Office entitle the applicant to conduct-operations-thereon Title 18 U.S.C. Section \$100 and Fite 13 U.S.C. Section \$212\$, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false,