Form 3150-5 (August 2007)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

5. Lease Serial No. LC-063567

6. If Indian, Allottee or Tribe Name

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

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		form for proposals to drill Use Form 3160-3 (APD) fo		S.	,			
Name of Operator   Swell   Gas Weil   Other   Swell   Other   Swell	SUBMIT IN TRIPLICATE – Other instructions on page 2.				7. If Unit of CA/Agreement, Name and/or No.			
2 Name of Operator Saber Old Sea Ventures, LLC 3a. Address Add	1. Type of Well			- · · · · · · · · · · · · · · · · · · ·				
3b. Phone No. (Include area code)   432-685-0166/432-818-0407   10. Field and Pool or Exploratory Area MocMillan Seven Rivers Queen   426-685-0166/432-818-0407   11. Country or Parish, State   Eddy Country, New Mexico   12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA   TYPE OF SUBMISSION   TYPE OF ACTION   Well tategrity   Water Shut-Off   Alter Casing   Fracture Treat   Recomplete   Well Integrity   Well Integrity   New Construction   Recomplete   Other change of Opertor   Plug and Abandon   Temporarily Abandon   Opertor   Plug and Abandon   Temporarily Abandon   Opertor   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 Dond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Final Abandonment Notices must be filed once testing has been completed. Fi	Oil Well Gas	8. Well Name and No. Yates (1) 2 (10) & (8) (3) \( \dagger / 7)						
## Acution of Well (Footage, Sec., T.R.M., or Survey Description)  432-685-0168/432-818-0407  ## McMillan Seven Rivers Queen	Name of Operator     Saber Oil & Gas Ventures, LLC				9. API Well No. 30-015-01023			
A Location of Well (Footage, Sec., T.R.M. or Survey Description)  12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA  TYPE OF SUBMISSION  TYPE OF ACTION  Notice of Intent  Acidize  Casing Repair  New Construction  Recomplete  Casing Repair  New Construction  Recomplete  Other change of Other of Other Change of Other of Other Change of Other chang	400 W Illinois, Suite 950			e)	· · ·			
Eddy County, New Mexico		·	5-0169/432-818-0407					
TYPE OF SUBMISSION    Acidize	_	ta, in, or our vey Beautipliony						
Notice of Intent	12. CHE	CK THE APPROPRIATE BOX(ES) TO	O INDICATE NATURE	OF NOTIC	E, REPORT OR OTHER DATA			
Alter Casing   Fracture Treat   Reclamation   Well Integrity   Other change of   O	TYPE OF SUBMISSION		TYPI	E OF ACTI	ON			
Change Plans	Notice of Intent	Alter Casing				Well Integrity		
See Attached Bond Coverage: Statewide Bond Coverage: Statewide Bond Coverage: Statewide Bond No: NM005553   MAR 7 2011   See Attached Bond Ocorage: Statewide Bond No: NM005553   MAR 7 2011   See Attached Bond Ocorage: Statewide Bond No: NM005553   MAR 7 2011   See Attached Bond Most Provided Bond No: Name (Printed/Typed)   Title Tech   Tit	Subsequent Report			_	•			
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 BLMBIA. 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 3100.05 A and 43 CFR 3162.3 we are notifying you of a change of operator on the above referenced lease. Saber Oil & Gas Ventures, LLC accepts all terms, conditions, stipulations and restrictions concerning the operations conducted on the lease effective 9/1/2008. Saber Oil & Gas Ventures, LLC meets Federal Bonding requirements as follows (43 CFR 3104)  Bond Coverage: Statewide Bond No: NM005553 Market Same Conditions, standard Same Conditions, standar	Final Abandonment Notice			_ `	•	Operior		
Paula Dillard Hall Control Title Tech	testing has been completed. Final determined that the site is ready for the stream of	Abandonment Notices must be filed on r final inspection.) and 43 CFR 3162.3 we are notifying tipulations and restrictions concerning requirements as follows (43 CFF	nly after all requirements, you of a change of ope ing the operations cond R 3104)	including re	APP  MAR  Surfall OF L	ase. Saber Oil & Gas Ventures, /2008. Saber Oil & Gas  ROVED  7 2011 Whitlock Jr  AND MANAGEMENT		
Signature  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 hat the applicant holds legal or equitable title to those rights in the subject lease which would office	1 // 1 / 1 / 1 / 1 / 1 / 1 / 1	ue and correct. Name (Printed/Typed)	Title Tech					
Approved by  Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify hat the applicant holds legal or equitable title to those rights in the subject lease which would provided the conditions of approval.	Signature	,	Date 10/14/2010	)	70.			
Approved by  Title  Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify hat the applicant holds legal or equitable title to those rights in the subject lease which would office		THIS SPACE FOR FE	DERAL OR STAT	TE OFFI	CE USE	No.		
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 provide the applicant to conduct a provide the applicant and the applicant to conduct a provide the	Approved by				(AC	1201 CIA)		
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 on Species of the United States any false,	that the applicant holds legal or equitable to entitle the applicant to conduct operations t	tle to those rights in the subject lease which hereon.	or certify ch would Office		(Sat)	NAR ARTES		

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

The SW/4 NW/4 and W/2 SW/4 of Section 5; the SE/4 and SE/4 SW/4 of Section 6; the N/2 NE/4 and EN/4 NW/4 of Section 7; and the NW/4 NW/4 of Section 8; all in Township 20 South, Range 27 East, NMPM, Eddy County, New Mexico

OCD District: Artesia							
Property Well	Lease Type		OCD Unit API		Well Type	Pool Pool Name	Last Selected Prod/Inj Wells
18895 YATES FEDERAL #001	F	A-7 -20S-27E	Α	30-015-01035	0	45030 MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X
YATES FEDERAL #003	F	1-6 -20S-27E	1	30-015-01030	О	45030 MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X
YATES FEDERAL #007	F	J-6 -20S-27E	J	30-015-01023	Ī	45030 MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X
YATES FEDERAL #009	F	O-6 -20S-27E	0	30-015-01027	0	45030 MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X
YATES FEDERAL #018	F	I-6 -20S-27E	1	30-015-21241	0	45030 MCMILLAN;SEVEN RIVERS-QUEEN	07/08 X

#1 330 FNL 990 FEL

#3 1650 FSL 338 FEL

#7 1650 FSL 1650 FEL

#9 330 FSL 1650 FEL

#18 1650 FSL 990 FEL

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

## **Conditions of Approval**

## Saber Oil and Gas Ventures, LLC

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. All above ground structures and equipment on the lease shall be painted Shale Green (5Y 4/2). This is to be done within 90 days, if you have not already done so.
- 3. Submit for approval of water disposal method.
- 4. Submit updated facility diagrams as per Onshore Order #3
- 5. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 6. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 7. Subject to like approval by NMOCD.