

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
OMB No 1004-0135
Expires: January 31, 2004

5 Lease Serial No

NM-027994-A

6 If Indian, Allottee or Tribe Name

N/A

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

NM72498

8. Well Name and No.

Mobil Federal #1

9 API Well No.

30-015-21227

10 Field and Pool, or Exploratory Area

Carlsbad; Morrow, South

11 County or Parish, State

Eddy County, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Vernon E. Faulconer, Inc.

3a. Address

PO Box 7995, Tyler, Texas 75711

3b. Phone No (include area code)

903-581-4382

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

1980 feet from the north line and 1980 feet from the west line of Section 25, Township 23 South,
Range 26 East, N.M.P.M.

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

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

Production resumed on July 16, 2011. Well produced approximately 65 MCF on July 16, 2011 and 80 MCF on July 17, 2011. Operator is uncertain if production can be maintained and intends to file a second Sundry Notice requesting approval to plug back and recompleat the Upper Morrow formation. Details involving the contemplated recompleat will be set out in said Sundry Notice.

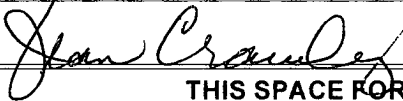
Operator has on file with the BLM the following bond: Statewide Bond NM2516

Accepted for record
NMOCDRECEIVED
FEB 28 2012
NMOCD ARTESIA14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jean Crawley

Title Vice-President

Signature



Date

7-21-2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

ACCEPTED FOR RECORD
FEB 25 2012
Date
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.

(Instructions on page 2)