Form 3160-5 (April 2004)

89101112 CD-ARTESIA UNITED STATE OM B No. 1004-0137 Expires: March 31, 2007 DEPARTMENT OF THE INTERIO BUREAU OF LAND MAN 5. Lease Serial No. SUNDRY NOTICES AND REPORTS NM-031963 Do not use this form for proposals to drill or to de-enter and abandoned well. Use Form 3160-3 (APD) for such proposals. 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on 1. Type of Well X Oil Well Gas Well 8. Well Name and No. Sunrise 8 Federal #3 2. Name of Operator 9. API Well No. Pogo Producing Company 3a, Address 3b. Phone No. (include area code) 30-015-34900 10. Field and Pool, or Exploratory Area P. O. Box 10340, Midland, TX 79702 432-685-8100 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sand Dunes Delaware West 11. County or Parish, State 660' FNL & 990' FEL, Section 8, T24S, R31E Eddy County, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Alter Casing Reclamation Well Integrity Fracture Treat Casing Repair Spud New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon 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 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.) Spud & Set Surface Csg - MIRU Capstar #9. Spud well @ 01:30 hrs 08/03/06. Drld 17-1/2" hole to 1000'. TD reached @ 06:00 hrs 08/04/06. Ran 25 jts 13-3/8" 48# H-40 ST&C csg. Cmt'd w/ 600 sks C 65:35 POZ @ 12.8 ppg followed by 200 sks Cl "C" + 2% CaCl2 @ 14.8 ppg. Circ 150 sks to surface. Plug down @ 20:30 hrs 08/04/06. WOC 21-1/2 hrs. Make cut-off. Weld on WH. NU BOP's & test to 2000# ok. Test csg to 1500# for 30 mins ok. ACCEPTED FOR RECORD AUG 15 2006

ALEXIS C. SWOBODA PETROLEUM ENGINEER 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title Cathy Wright Sr. Eng Tech Date 08/08/06 THIS SPACE FOR FEDERAL OR STATE OFFICE USE 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 Office Accepted for record - NMOCI which would entitle the applicant to conduct operations thereon. 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.