Foam 3160-5 (April 2004)

Notice of Intent

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT OF

FORM APPROVED OM B No 1004-0137 Expires: March 31, 2007

Water Shut-Off

Well Integrity

Production (Start/Resume)

Reclamation

NDRY NOTICES AND REPORTS ON WELLS

Port of the state of the state

Acidize

Alter Casing

6. If Indian, Allottee or Tribe Name

5. Lease Serial No NM886

| SUBMIT IN TRIF | 7. If Unit or CA/Agreement, Name and/or No | | | |
|---|--|-----------------------------------|--|--|
| 1. Type of Well OflWell | Gas Well Other | JUN 19 2007 | 8. Well Name and No. | |
| 2 Mary Consenter Nadal and Guagner Dermin LLC | | | Major Gant Federal #1 | |
| | | | 9. API Well No. | |
| 3a. Address 601 N. Marienfeld | | 3b. Phone No. (include area code) | 30-015-35415 | |
| Midland, T | X 797001 | 432-682-4429 | I 0. Field and Pool, or Exploratory Area | |
| 4 Location of Well (Footage, Sec., T | Little Box Canyon (Morrow) | | | |
| Unit Letter N: 660 feet from the | 1 1. County or Parish, State | | | |
| Township 21S, Range 21E | Eddy County, NM | | | |
| 12. CHECK AP | PROPRIATE BOX(ES) TO | INDICATE NATURE OF NOTICE, RI | EPORT, OR OTHER DATA | |
| TYPE OF SUBMISSION | | TYPE OF ACTION | | |

Casing Repair New Construction Recomplete X Subsequent Report X Other: Run and Cement Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Production Casing Plug Back Convert to Injection 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

Deepen

Fracture Treat

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.)

5/5/07 Drilled to TD @ 8568' Circulated hole clean and TOH. Started running logs.

5/6/07 Finished logging. TIH & tagged fill at 8383' and washed to bottom. Circulated hole clean and short tripped several times. Continued to tag fill around 8338'. Became very difficult to wash to bottom.
5/7/07 Circulated bottoms up and POH. Ran 191 jts of 5.5" 17# L80 LTC casing. Called BLM and left detailed message 3 hrs prior to cementing. Tagged and washed fill to 8295'. Set casing at 8292'. Pumped 1st stage consisting of 20 bbls fresh FW, 10 bbls preflush, 289 sx 35/65 Poz/C (12.6 ppg), 711 sx PV Lite (13.0 ppg) and displaced with 187 bbls mud. Bumped plug. Dropped bomb and opened DV tool and circulated with mud.

5/8/07. Pumped 2nd stage consisting of 10 bbls fresh FW, 10 bbls preflush, 275 sx 35/65 Poz/C (12.6 ppg), 552 sx PV Lite (13.0 ppg) and displaced with FW. Closed DV tool w/ 2605 psi. WOC for 4 hrs. Jet pits, set slips, cut off casing and NU wellhead. Released rig at 4:00 PM.

| 14. 1 hereby certify that the foregoing is true and correct Name (PrintedlTyped) Terry West T ₁ | tle Engineer | ACC | EPTED FOR REC | ORD |
|---|--------------|------|----------------------|-----|
| Signature Terry West D | ate 5/9/2007 | | JUN 1 8 2007 | |
| THIS SPACE FOR FEDERAL O | USE | Jums | | |
| Ar2ravc~Conditions of approval, if any, are attached. Approval of this notice does not warrant or | Title | BUT | CALL OF LAND MANAGEN | |
| 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 | | / | |

Title 18 U.S.C. Section 1001 and Tide 43 U.S.C. Section 1212, make it a crime for any person knowingl and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to anymatter within its j urisliction.