

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

**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.**

5 Lease Serial No NMLCO458181A	<b>RECEIVED</b> <b>DEC - 9 2009</b>
6 If Indian, Allottee or Tribe Name	

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7 If Unit of CA/Agreement Name and/or No.
2 Name of Operator C&D MANAGEMENT COMPANY, dba Freedom Ventures OGRID: 231382		8 Well Name and No HASTIE #19
3a Address 4801 LANG NE, #110, ALBUQUERQUE, NEW MEXICO 87109	3b. Phone No. (include area code) 505-417-1511 oilfreedom@aol.com	9. API Well No 30-015-23186
4 Location of Well (Footage, Sec., T, R, M., or Survey Description) E-18-17S-28E 1980FNL 660 FWL		10. Field and Pool or Exploratory Area RED LAKE - GRAYBURG
		11 Country or Parish, State EDDY COUNTY

**12. CHECK THE 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 checked="" 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 recomple 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 recomple 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.)

NATURAL GAS WELL: *not verified*

- Hastie #19 produces commercial quantities of natural gas and production is metered on DCP Mainstream Meter #75067-00
- April 9, 2009 the pump jack was activated.
- Hastie #19 produces natural gas into the gas flow line without the necessity of pump jack.
- Gas production had been encumbered due various factors, including, but not limited to:
  - Improper configuration of gas wells lines and fixtures.
  - As a direct result of the improper configuration fluid was being pumped into the Compressor, thus causing Quinicy Compressor 270 to initially malfunction and eventually become completely disabled.
  - DCP Mainstream natural gas sales pipeline pressure has been about 68psi. Gas well pressure pushed some gas into the sales line, but it was not sufficient to "buck" the psi to transport higher volumes of natural gas into the sales line.
  - DCP Mainstream has been replacing the main gas line on the lease and surrounding areas since late 2008 into 2009
- DCP Mainstream has shut down the line on multiple occasions without notice.
- Corrective Actions Taken to Increase Production:
  - Drain all gas well pipelines of fluid;
  - Install replace and valves and fixtures;
  - April 15, 2009 Install Rebuilt Quinicy 270 Compressor [Hill Engine]
  - April 22, 2009 Well pipelines connected to Quinicy 270 Compressor. Run 5 Hours. Shut down and recheck entire system and reactivate compressor
  - April 23, 2009 Entire System Activated. Collective Flow Rate 170mcf. Collective 24 Hour Natural Gas Production: 60mcf. [Revised 4/28/09]

14 I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Thomas Kizer	Title President
Signature	Date 08/28/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	<b>ACCEPTED FOR RECORD</b> <b>DEC 5 2009</b> Date <i>W</i> <b>WESLEY W. INGRAM</b> <b>PETROLEUM ENGINEER</b>
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.	Office	

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.