

UNITED STATES **OCD-ARTESIA**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.****SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

| | |
|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| 1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other | 5. Lease Serial No. |
| 2. Name of Operator St. Mary Land & Exploration Co. | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 3300 N. A Street, Bldg. 7, Ste. 200 Midland, TX 79701 | 7. If Unit or CA/Agreement, Name and/or No. NMNM101361X |
| 3b. Phone No. (include area code) (832) 688-1789 | 8. Well Name and No. East Shugart Delaware Unit #017 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 475 FNL & 50 FEL, UL: A, Sec. 24, T-18-S, R-31-E | 9. API Well No. 30-015-33841 |
| | 10. Field and Pool, or Exploratory Area Shugart, Delaware East |
| | 11. County or Parish, State Eddy County, NM |

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 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 checked="" 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.)

ESDU #17 was pressured tested on 6/8/2010.

Test was successful and Chart is attached.

Accepted for record
NMOCDF
7/28/10

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| 14. I hereby certify that the foregoing is true and correct | |
| Name (Printed/Typed) Donna Huddleston | Title Production Tech |
| Signature <i>Donna Huddleston</i> | Date 06/24/2010 |
| THIS SPACE FOR FEDERAL OR STATE OFFICIAL 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 JUL 13 2010 s/ Dustin Winkler BUREAU OF LAND MANAGEMENT CARLSBAD FIELD 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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. | |

(Instructions on page 2)

