

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.
NM-027994-A
6. If Indian, Allottee or Tribe Name
N/A**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
Vernon E. Faulconer, Inc.3a. Address
PO Box 7995, Tyler, TX 757113b. Phone No. (include area code)
903-581-43824. 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.M7. If Unit of CA/Agreement, Name and/or No.
NM061P35-85C537 NM 724988. Well Name and No.
Mobil Federal #19. API Well No.
30-015-2122710. Field and Pool or Exploratory Area
Carlsbad; Morrow, South11. Country or Parish, State
Eddy County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 checked="" type="checkbox"/> Other Address problems
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	caused by plugged
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	holes in tubing.

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 must 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 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.)

The Mobil Federal #1 well is currently not producing and the plunger is not running. Holes in the tubing below the collar stop are plugged, and prior acid treatment and wireline work to open the plugged holes was not successful.

Operator intends to pull existing plunger and bottom hole spring, move plunger lift operations up-hole by one joint, use slickline to shoot new communication holes, and attempt to produce on plunger lift. In the event production does not resume, Operator will evaluate the wellbore for plugging back to Upper Morrow, Atoka or other formation known to be capable of production in the general area.

Operator requests 60 days from February 4, 2011 to perform the actions contemplated above. If perforation, re-positioning of bottom hole spring, and resumption of plunger lift operation is successful, Operator believes that production may resume within 120 days from February 4, 2011.

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

After 6-4-11 the well must be online
or plans to P & A must be submitted

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Jean Crawley

Title Vice-President

Signature

Date 01/18/2011

APPROVED

FEB 26 2011

/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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 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.

(Instructions on page 2)

Accepted for record - NMOC

DS 3-10-11

