

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

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.

Lease Serial No.

NM-2390

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

CA NMNM 71222

8. Well Name and No.

Federal 27 No 1

9. API Well No.

30-025-23841

10. Field and Pool, or Exploratory Area

West Sawyer, San Andres

11. County or Parish, State

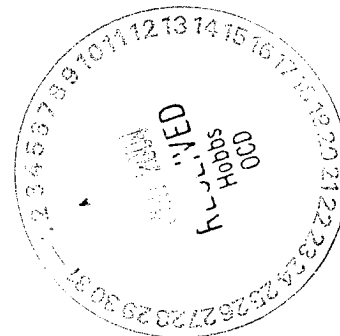
Lea, NM

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 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	

3. 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 recompleate 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.)

MAR Oil & Gas Corp has completed the central battery construction
The Federal 27 No 1 was initiated to production April 28, 2004
Attached is the Site Facility Diagram fro the TP Central Battery and OCD approval to surface commingle



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

Duane C Winkler

Title VP Operations

Signature

Date May 12, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

Name
(Printed/Typed)

Title

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

Date

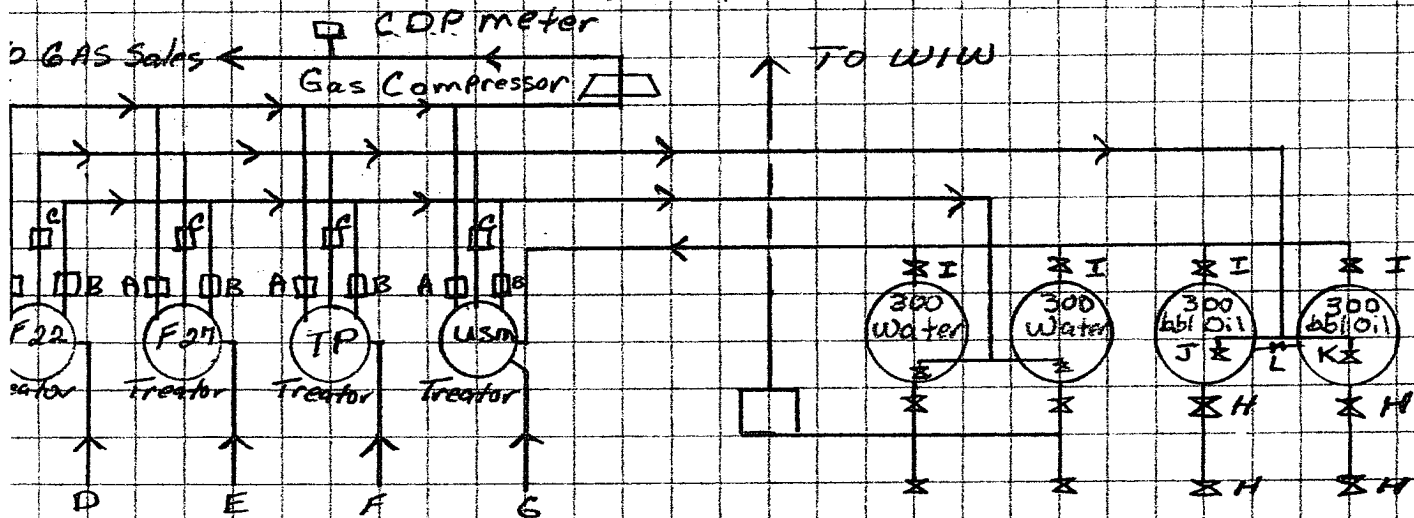
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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MAR OIL & Gas Corp
T.P. Federal Central Battery
Site Facility Diagram
SE NW, S27, T9S, R37E

Attachment A



F22: Federal 22 No 2 L# NM050495-A, CA SW-587

A: Gas Meter, B: Water meter, C: Oil meter

F27: Federal 27 No 1 L# NM-2390, CA 71222

Federal 27 No 2 L# NM-0384/777 CA 71222

A: Gas Meter, B: Water Meter, C: Oil Meter

TP: TP Federal No 1 L# 2390

TP Federal No 2 L# 2390

A: Gas Meter, B: Water Meter, C: Oil Meter

USM: USM No 1 L# NMLC-067775

USM No 3 L# NMLC-067775

USM No 4 L# NMLC-067775

A: Gas Meter, B: Water Meter, C: Oil Meter

SITE SECURITY

Production Phase

- valve H closed & sealed
- valve I closed & not sealed
- valve J open & not sealed
- valve K closed & sealed
- valve L open & not sealed

Sales Phase

- Valve H closed & sealed until Trucked
- Valve I closed & sealed
- Valve J closed & sealed
- Valve K Open & Not Sealed
- Valve L closed & sealed

Wells To Manifold

D: Federal 22 No 2

E: Federal 27 No 1, & Federal 27 No 2

F: TP Federal No 1, & TP Federal No 2

G: USM No 1, USM No 3, USM No 4