ROSWELL FIELD OFFIC FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007 UNITED STATES Form 3160-5 (April 2004) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NM-8245247 dut with C-069457 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. EK Penrose Sand Unit 1. Type of Well Oil Well Gas Well Other 8. Well Name and No. 2. Name of Operator OGRJD # 28497 Seely QII Company API Well No. 30-025-02374 3b. Phone No. (include area code) 3a. Address 815 W. 10th St., Pt. Worth, TX 76102 817-332-1377 10. Field and Pool, or Exploratory Area EK Yates-Seven Rivers-Queen 4. Location of Well (Footoge, Sec., T., R. M., or Survey Description) []. County or Parish, State 2310' FNL & 2290' FWL Section 30 - T18S - R34E, NMPM Lea County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Acidize Production (Stant/Resume) Water Stret-Off Deepen Well Integrity Notice of Intent Alter Casiny Reclamation Fracture Treat Other Change Well Name Casing Repair New Construction Recomplete Subsequent Report and Number Change Plans Plug and Abandon __ Temporarily Abandon Final Abandoument Notice Plug Back Water Disposal Convert to Injection 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 Band under which the work will be performed or provide the Band 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.) The EK Peorese Sand Unit (EKPSU) under NMOCD Order No. R-11930 and BLM approval dated March 23, 2005 became effective April 1, 2005. Seely Oil Company's McElvain Federal Well No. 3 was placed in the EKPSU effective April 1, 2005 and assigned a well number of 203. OPER, OGRID NO. PROPERTY NO. POOL CODE EFF. DATE __ API NO. I hereby certify that the foregoing is true and correct Name (Printed/Typed) David L. Henderson Title Executive Vice President 04/13/2085 Signature Date SPACE FOR FEDERAL OR STATE OFFICE USE

Title IB U.S.C. Section 1001 and Title 13 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 lake, fictitions of frauthless States are presentations as to any matter within its jurisdiction.

KZ

(Instructions on page 2)

Approved by

GL.

DAVIDR

Conditions of approval, if any arrangehear approval of this abtice does not warrant or certify that the applicant holds legal of equivalent title to those rights in the subject lease

which would emitte the applicant to conduct operations thereon

Date