

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NOV 12 2013

FORM APPROVED ONI B 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.

RECEIVED

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well [] Oil Well [] Gas Well [x] Other Acid Gas Injection
2. Name of Operator Agave Energy Company
3a. Address 105 S. Fourth Street, Artesia, NM 88210
3b. Phone No. (include area code) 575-748-4528
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
At Surface: 1600 FSL, 150 FEL, Section 13, T 24S, R 33E, NMPM, Lea Co. NM
At TD: Same as surface

5. Lease Serial No. NMLC063798
6. If Indian, Allottee or Tribe Name N/A
7. If Unit or CA/Agreement, Name and/or No. N/A
8. Well Name and No. Agave Red Hills AGI #1
9. API Well No. 30-025-40448
10. Field and Pool, or Exploratory Area Exploratory (Cherry Canyon)
11. County or Parish, State Lea County, NM

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

Table with columns TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Alter Casing, Casing Repair, Change Plans, Convert to Injection, Deepen, Fracture Treat, New Construction, Plug and Abandon, Plug Back, Production (Start/Resume), Reclamation, Recomplete, Temporarily Abandon, Water Disposal, Water Shut-Off, Well Integrity, and Other Surf Casing/Cement.

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 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.)

Yates Petroleum set surface casing in Agave Red Hills AGI #1 at approximately 0330 hours on October 26, 2013. The borehole was cemented to the surface at 0900 on October 26, 2013 with 90 barrels returned to the surface. Four hour advance notice to Linda at BLM was provided by Juan Galvan, Yates Company Man, on October 25, 2013.

What is setting depth of surface casing?

ACCEPTED FOR RECORD
NOV 7 2013
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Tom Sharp, Geolox, Inc. Title Consultant to Agave Energy Company
Signature Tom Sharp Date 10/26/2013

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 Only MSB/ocd 11/13/2013

NOV 14 2013