

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OCD

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

NOV 12 2013
RECEIVED

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
 Oil Well Gas Well 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

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"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other Lengthen Borehole
			Packer Stage Tool

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.)

As discussed in our teleconversation on Monday, November 4, 2013 this sundry notice addresses two modifications to the approved plan. Agave Energy Co. requests two modifications to the approved Agave Red Hills AGI #1 well design: 1) increasing the total depth of the borehole from 6550 to 6650 feet, and 2) changing the cementing tool from a DV tool to a packer stage tool.

Increase the total depth of Red Hills AGI #1: The current planned depth is 6550 feet which is where the production casing will be set. The borehole needs to be drilled to approximately 6650 feet in order to provide space below the intended casing depth to allow the geophysical logging tools the ability to log the complete reservoir interval including the production casing seat.

Use packer stage tool instead of DV tool: A packer stage tool will be used to cement the production casing to the surface in place of a DV tool. Final cement volumes will be calculated with an equal amount of excess as in the approved plan taking the additional total borehole depth into consideration.

Original COA still Applies

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Michael W. Selke, Geolex

Title **Consultant to Agave Energy Company**

Signature *[Signature]* Date **11/6/13**

APPROVED
NOV 7 2013
[Signature]
 BUREAU OF LAND MANAGEMENT
 CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Ed Fernandez** 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.

MWS/OCD 11/13/2013