

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
MORD-HOBBSFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NM-020491
2. Name of Operator Texland Petroleum-Hobbs, LLC	6. If Indian, Allottee or Tribe Name
3a. Address 777 Main Street, Suite 3200 Fort Worth, TX 76020	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) 817-336-2751	8. Well Name and No. Federal 3 #1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 330' FSL & 700' FWL, Unit M Sec. 3, T17S, R36E	9. API Well No. 30-025-37456
	10. Field and Pool, or Exploratory Area Shoe Bar Devonian, SW
	11. County or Parish, State Lea Co., 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 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 TD & Btm
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	hole csg/cmt
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompletable 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 recompletable 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.)

TD 8 3/4" hole @ 13,007', 5:00 pm 11/28/05

Ran Logs

12/4/05 Ran 297 jts 5 1/2" 17# P-110 & N80 LTC csg, Set @ 13,007'
Cmt w/1500 sks Poz/C/CSE w/3# LCM, 6% FL-25, 7% FL-52A & 2% salt
Tail in w/1500 sks Poz/C/CSE w/5% salt, 3# LCM-1, 6% FL-25 & 7% FL-5
PD @ 1:15 am 12/5/05
RR @ 1:00 pm 12/5/05

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

Vickie Smith

Signature

Vickie Smith

Title Production Analyst

Date 12/12/05

JAN - 9 2005

GARY GOURLEY
PETROLEUM ENGINEER

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

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.

Title

DISTRICT SUPERVISOR/GENERAL MANAGER

Office

JAN 23 2006

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)