OCD-HOBBS

FORM APPROVED **UNITED STATES** Form 3160-5 OM B No. 1004-0137 Expires: March 31, 2007 (February 2005) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5. Lease Serial No 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. NMNM 116183 1. Type of Wel **Gas Well** Other Öil Well 8. Well Name and No. WELLS A #2 2. Name of Operator PRIME OPERATING COMPANY 9. API Well No. 30-025-09720 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory Area 432-682-5774 3300 N. A, BLDG. 1-238, MIDLAND, TX 79705 JALMAT (PRO GAS) 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1980' FNL & 660' FWL Unit & SEC. 1, T-25-S, R-36-E LEA CO., NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Production (Start/Resume) Acidize Deepen Well Integrity Notice of Intent Reclamation Fracture Treat Alter Casing Other Recomplete Casing Repair New Construction ✓ Subsequent Report Temporarily Abandon Change Plans Plug and Abandon Final Abandonment Notice Water Disposal Plug Back 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 Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) 5-30-06 THRU 6-02-06 Cleaned out well to 3013' KB drilling up CIBP @ 2936', cement retainer @ 2967', and cement from 2967 - 3009'. Drilled parts of CIBP from ACCEPTED FOR RECORD 3009' to 3013'. New PBTD: 3013' KB Set Pumping unit and placed well on production. .1111 **2** 8 **2006** LES BABYAK PETROLEUM ENGINEER 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) CANDY LYLE Title Eng. Asst./Production Signature 6/13/06 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date 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 Office which would entitle the applicant to conduct operations thereon. 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)

PLAT "A"

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

MENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number				² Pool Code	3	³ Pool Name						
30.025.09720				33820 & 79240 JALMAT TANSIL YT 7RIVERS & JLMT TN					SL YT 7RV (PRO GAS)			
⁴ Property Code			⁶ Weil Number									
009391 & 009392			2									
OGRID No.			Elevation									
018099												
¹⁰ Surface Location												
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County		
ε	1	25 S	36 E		1980	N	660	le	/	LEA		
<u></u>	<u> </u>	<u> </u>	11 Bo	ottom Ho	le Location If	Different Fron	n Surface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County		
				2 150								
12 Dedicated Acres	¹³ Joint o	r Infill "Co	nsolidation P	Code "Ur	der No.	-T, p /	1 / 2					
560			r		NSP-1	05b-C <	<u>r> <211</u>	<u>></u>				
							• /					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. "PROPOSED" 560 ACRE GAS UNIT"

A-10 Proposed Horizonta High Angle Lateral	B-1 #3 penetration point	B-T#P	B-1#1	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
1-2 terminus	AA DXXVvX XODGX ZG	B-1 #7		Signature Date EARL W. LEVEA, DISTRICT MANAGER Printed Name
Separate Leake		560 Acre Gas Unit	B-1 44	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey
	. A-8			Signature and Seal of Professional Surveyor: Certificate Number