

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM 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 type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	5. Lease Serial No. LC-032233-A
2. Name of Operator Texland Petroleum-Hobbs, LLC	6. If Indian, Allottee or Tribe Name
3a. Address 777 Main St, Ste 3200 Fort Worth, TX 76102	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) 817-336-2751	8. Well Name and No. Bowers A Federal #42
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec. 29, T18S, R38E Unit M, 1290 FSL & 170' FWL	9. API Well No. 30-025-35756
	10. Field and Pool, or Exploratory Area Hobbs, Upper Blinbry
	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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" 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 Pressure Increase

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 recompleat 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 recompleat 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.)

Texland Petroleum-Hobbs, LLC request the minimum surface rate injection pressure for the referenced injection well, located in the Hobbs Upper Blinbry Cooperative Waterflood Area, be increased. Please find attached a Step Rate test performed on 10/5/06.

1500 PSIG
IPI 276

SUBJECT TO LIKE APPROVAL BY STATE

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

Vickie Smith

Title Production Analyst

Signature

Vickie Smith

Date 10/24/06

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Office

NOV 16 2006

Wesley W. Ingram
PETROLEUM ENGINEER

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)

Bowers A Federal
Step Rate Test Results

Bowers A Federal 39

(Tested 10/4/2006)

<u>Rate</u>	<u>Surface P</u>
<u>(bpd)</u>	<u>(psi)</u>
50.4	630
103.2	787
201.6	1067
348	1482
520.8	1841
698.4	2118

Bowers A Federal 43

(Tested 10/6/2006)

<u>Rate</u>	<u>Surface P</u>
<u>(bpd)</u>	<u>(psi)</u>
48	616
96	1021
201.6	1476
355.2	1670
504	1769
708	1840

Bowers A Federal 42

(Tested 10/5/2006)

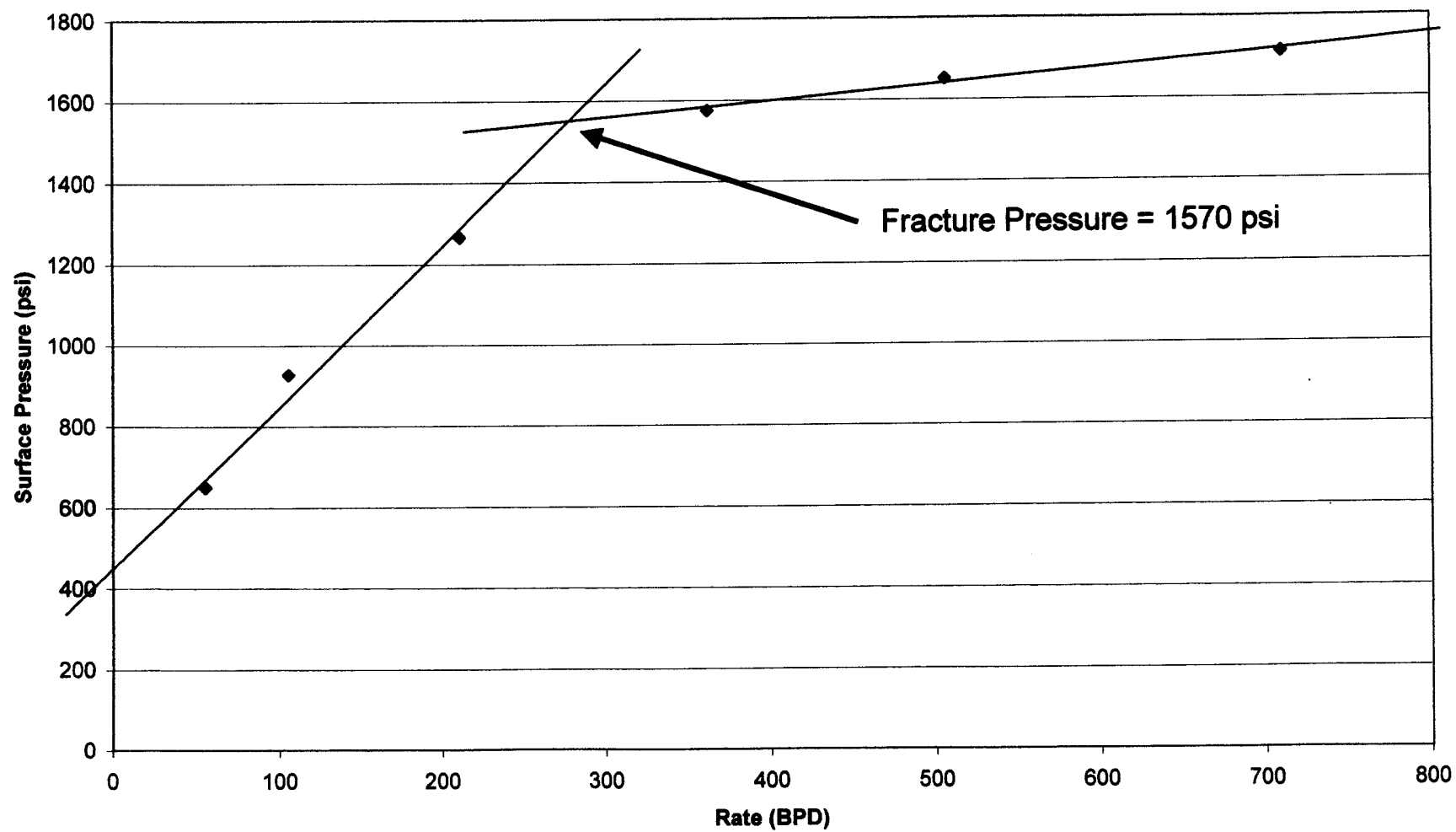
<u>Rate</u>	<u>Surface P</u>
<u>(bpd)</u>	<u>(psi)</u>
55.2	650
105.6	928
211.2	1266
362.4	1575
506.4	1651
710.4	1713

<u>Comparison of Pressures over Time</u>			
	<u>Test Date</u>	<u>1/29/2003</u>	<u>10/4/2006</u>
Bowers A Federal 39	Parting Pressure	1464	1704
	Static SIBHP	2811	3100
	<u>Test Date</u>	<u>1/31/2003</u>	<u>10/5/2006</u>
Bowers A Federal 42	Parting Pressure	1171	1570
	Static SIBHP	2300	2877
	<u>Test Date</u>	<u>2/1/2003</u>	<u>10/6/2006</u>
Bowers A Federal 43	Parting Pressure	1184	1617
	Static SIBHP	2704	2908

Bowers A Federal #42

Step Rate Test

Tested 10/05/2006



Bowers 42: Falloff and Step Rate Test

10/4/2006 Installed digital pressure recorder on tbg. Well injecting at 132 BPD rate, 1055 psia. Shut off injection at 4:25 pm. for overnight pressure falloff.

10/5/2006 9:05 am tbg pressure-266 psia. MIRU Pate Trucking HPPT, NU to injection meter run. Pump step rate test as follows:

TIME	EVENT	AVG RATE	PRESSURE	MTR READING
9:05 am	Begin 1 st step	55.2	266 psia	18264.0
10:05 am	Begin 2 nd step	105.6	650 psia	18266.3
11:05 am	Begin 3 rd step	211.2	928 psia	18270.7
12:05 am	Begin 4 th step	362.4	1266 psia	18279.5
1:05 pm	Begin 5 th step	506.4	1575 psia	18294.6
2:05 pm	Begin 6 th step	710.4	1651 psia	18315.7
3:05 pm	End Test		1713 psia	18345.3

ND Pate HPPT. NU injection flow line, return well to normal injection

Cost: HPPT 800
End Report.