762728293037 Form 31605			ocD-t	HOBBS
(April 2006) ΔΕΕ 2006 ΔΕΕ DEPARTMENT OF THE INTERIOR			OCD	OM B No. 1004-0137 Expires: March 31, 2007
ineceived in			5. Lease Serial No. LC 030167A	
Do not use this form for proposals to drill or to re-enter an abandaned well. Use Form 3160-3 (APD) for such proposals. 1. Type of Well Gas Well Other				6. If Indian, Allottee or Tribe Name
Store The Structions on reverse side.				7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well Gas Well Other				8. Well Name and No.
2. Name of Operator SOUTHWEST ROYALTIES, INC.				McCallister A #7 9. API Well No.
3a Address 6 DESTA DRIVE, STE 2100, M	3b. Phone No. (include 432/688-3267	area code)	30 025 23628 10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R, M., or Survey Description)				Scarborough Yates / 7 Rivers
2310' FNL & 330' FEL, SECTION 24, T26S, R36E; UNIT A				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			
Notice of Intent				
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)				
DAWN M. HOWARD			PERATIONS ASSIS	
Signature	THIS SPACE FOR	Date		9/28/2006
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 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.

Title

Office

CARLED AD DEED OFFICE