

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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. NM 18264
2. Name of Operator Finley Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 1308 Lake Street, Ste. 200, Fort Worth, TX 76102	3b. Phone No. (include area code) 817-336-1924	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1983 FWL & 1983 PSL of Section 26 20S - 36E 1980 N 660 W		8. Well Name and No. Federal D #2
		9. API Well No. 30-025-04337
		10. Field and Pool, or Exploratory Area Eumont (Y-7R-Q)
		11. County or Parish, State Lea

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"/> 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 Add wells injecting
	<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	

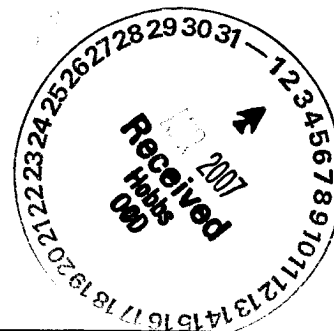
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths 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.)

Inject water from the LC Fopeano lease into the Federal D #2 injection well. An estimated total water of 420 bbls is to be injected at average psi of 1300#.

List of wells: Federal D #1 API: 30-025-04336 2 BWPD
Federal D #4 API: 30-025-04338 9 BWPD
Federal D #5 API: 30-025-04339 5 BWPD
Federal D #6 API: 30-025-04340 6 BWPD
Federal D #7 API: 30-025-04341 35 BWPD
Federal D #8 API: 30-025-04342 92 BWPD
Federal D #9 API: 30-025-04343 2 BWPD
LC Fopeano #2 API: 30-025-04413 219 BWPD
LC Fopeano #4 API: 30-025-04348 43 BWPD
LC Fopeano #7 API: 30-025-04415 0 BWPD
LC Fopeano #8 API: 30-025-04416 11 BWPD

*Injection PSE
750 psi
CW*

R-9556



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Crystal Martinez		Title Production Analyst
Signature <i>[Signature]</i>	Date 03/13/2007	APPROVED WESLEY W. INGRAM PETROLEUM ENGINEER
THIS SPACE FOR FEDERAL OR STATE OFFICE USE *OC DISTRICT SUPERVISOR/GENERAL MANAGER Approved by <i>[Signature]</i> Title Date MAR 28 2007 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 APR 03 2007		
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)		