

New Mexico Oil and Gas Conservation Act
1025 N. French Drive
Hobbs, NIM 88240

Form 3160-5
(April 2004)

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
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
PALISADES ASSET HOLDING COMPANY, LLC

3a. Address
223 W. WALL ST., STE 825, MIDLAND, TEXAS 79701

3b. Phone No. (include area code)
432-686-7159

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**330 FNL & 330 FEL
SECTION 21, TOWNSHIP 14 SOUTH, RANGE 31 EAST, UNIT LETTER A**

5. Lease Serial No.

NMNM 080123

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

WEST CAP QUEEN SAND UNIT

8. Well Name and No.

WELL NO 15

9. API Well No.

30-005-01108

10. Field and Pool, or Exploratory Area
CAPROCK QUEEN

11. County or Parish, State

CHAVES CO., NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☒ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

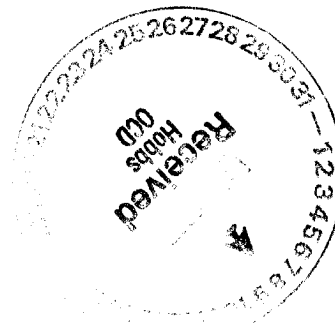
☐ Well Integrity

☐ Other

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.)

TO PLACE ON PRODUCTION:

- 1) MI & RU SERVICE RIG
- 2) CHANGE OUT DOWNHOLE PUMP & REPLACE BAD RODS
- 3) TEST TUBING
- 4) RERUN DOWNHOLE PUMP & RODS
- 5) PLACE ON PRODUCTION



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

HERBERT F. BOLES

Title **MANAGING MEMBER**

Signature

Herbert F. Boles

Date

04/23/2007

ACCEPTED FOR RECORD FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Conditions of approval: By approving 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, Title 43 U.S.C. Section 1212, make it a crime for any person to knowingly and willfully make any false, fictitious, or fraudulent statements or representations as to any matter within

(Instructions on page 2)

Accepted For Record Only! Approval Subject To Returning Well To Continuous Production And Keeping Well On Continuous Production Or Plugging Well With An Approved Plugging Program!