



September 1, 2006

Mr. Jim Amos
Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220

Re: Form 3160-5
E. J. Wells Lease, S12-T25S-R36E, Lea County
InFlow Petroleum Resources, LP (OGRID 225789)
API 30-025-09736

Dear Mr. Amos:

Enclosed please find our Form 3160-5 requesting approval of the proposed procedures to excavate and remediate the present Saltwater Disposal Facility and surrounding area on the E. J. Wells lease in southeast Lea County. This action is in response to the Notice of Written Order 06-JA-022 InFlow received in May and our onsite field inspection with you on June 9th.

Pursuant to our discussions with Larry Johnson (NM-OCD) on June 9th, delineation work was conducted on August 18, 2006 by West Texas Environmental (Odessa) to extract soil samples and test for chloride levels at an interior location within the berm surrounding the battery and an exterior location outside the tank facility berm. Samples for laboratory analysis were obtained at 6-foot depths. The lab results reported by Environmental Lab of Texas (Odessa) are included attached to the Form 3160-5. Both samples are below the 1,000 mg/ml tolerance for depth to ground water in this area.

Please review our berm excavation and remediation proposal which I am also submitting to Larry Johnson for his approval. Upon approval, InFlow will commence scheduling remediation work. If you have any questions, please do not hesitate to contact me at (469) 916-8373, ext. 2.

Best Regards,

A handwritten signature in black ink that reads 'Rey A. Baribault'. The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Rey A. Baribault, CEO
IPR Energy, LLC – General Partner
of InFlow Petroleum Resources, LP

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 SWD Tank Battery		5. Lease Serial No. NMLC-032582A
2. Name of Operator InFlow Petroleum Resources, LP		6. If Indian, Allottee or Tribe Name --
3a. Address 13760 Noel Road, Suite 104, Dallas, Texas, 75240	3b. Phone No. (include area code) 469-916-8373	7. If Unit or CA/Agreement, Name and/or No. --
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SWNE Section 12, T25S-R36E		8. Well Name and No. E. J. Wells No. 2SWD & SWD Battery
		9. API Well No. 30-025-09736
		10. Field and Pool, or Exploratory Area Jalmit-Tansil-Yates River
		11. County or Parish, State Lea, 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 type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" 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 type="checkbox"/> Other
	<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 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.)

A delineation of the E.J. Wells saltwater disposal facility was conducted on August 18, 2006 subsequent to a June 9, 2006 site tour with Larry Johnson - Hobbs OCD and Jim Amos - BLM in response to Notice of Written Order 06-JA-022. Soil samples were extracted at a 6' depth from two holes located within the SWD battery site (Sample I-6) and a second one (Sample E-6) outside the battery. Locations of the samples are spotted on the attached facility diagram. Analysis for chlorides was conducted by Environmental Lab of Texas (Odessa) and results provided on August 29, 2006. Sample I-6 chloride level measured 645 mg/kg and Sample E-6 measured 1.4 mg/kg within tolerance for ground water depth of 50 - 100 at this location.

InFlow proposes the following site remediation plan :

- i) extract present berm surrounding SWD facility and dispose offsite,
- ii) extract asphaltic topsoil areas to south of SWD battery and blend with clean dirt to use as replacement berm material around SWD facility,
- iii) till and seed perimeter area around SWD facility berm.

Pursuant to the NWO-06-JA-022, a copy of transmittal notice to Mr. Larry Johnson (OCD-Hobbs) and OCD Form C-144 are also attached hereto.

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

Ray A. Baribault

Title CEO - IPR Energy, LLC - Gen Partner of InFlow Petro. Res., LP

Signature

Ray A. Baribault

Date

8/30/06

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

Supv. EPS

Date

12-28-06

Office

Carlsbad Field Office

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)