

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	5. Lease Serial No LC-068288-A
2. Name of Operator Palisades Asset Holding Company, LLC dba Palisades Operating Company	6. If Indian, Allottee or Tribe Name
3a. Address 223 W. Wall St. Ste 825	7. If Unit or CA/Agreement, Name and/or No Rock Queen Sand Unit Unit
3b. Phone No (include area code) 432-686-7159	8. Well Name and No Well #52
4. Location of Well (Footage, Sec, T, R, M., or Survey Description) Section 25, T-13-S, R-31-E, Unit Letter B 660 FNL & 1980 FEL	9. API Well No. 30-005-00865
	10. Field and Pool, or Exploratory Area Caprock Queen
	11. County or Parish, State Chaves County, New Mexico

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"/> 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 type="checkbox"/> Other Re-Activate Injection Well

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.)

Re-Activate Injection Well #52

1. MI & RU Well Servicing Rig
2. TOH with injection tubing
3. Clean out well to TD
4. Test Casing with Packer
5. Run a bond log & casing inspection log
6. Trip in hole with new internally coated tubing w/packer
7. Circulate packer fluid
8. Take integrity test
9. Place well on injection

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

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

06/21/2007

ACCEPTED FOR RECORD - THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

Date

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

Title 18 U.S.C. Section 1001 and 1003, and 18 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)

GWW

