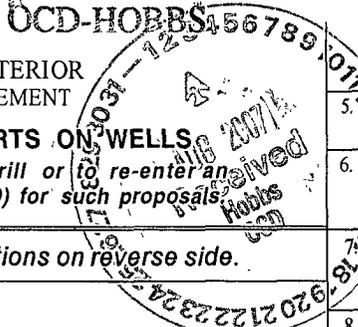


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



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 type="checkbox"/> Other		5. Lease Serial No. NMLC032874A
2. Name of Operator FIREWATER, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 1008 W. BROADWAY, HOBBS, NM 88240	3b. Phone No. (include area code) 505-393-2727	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660/FSL & 1650/FWL, SEC. 35, T24S, R37E <i>Unit 1</i>		8. Well Name and No. GEORGE L. ERWIN #4
		9. API Well No. 30-025-38360
		10. Field and Pool, or Exploratory Area LANGLIE MATTIX SR-QU-GB
		11. County or Parish, State LEA CO., NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 <u>ACIDIZE</u>
	<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)

5/21/07 MIRU. Install 2 3/8" x 5 1/2" BOP. Unload 112 jts 2 3/8", 4.7#, 8rd J-55 tbg. RIH w/2 3/8" tbg, tag btm @ 3510'. circ tbg, tbg/csg annulus w/100 bbls 2% KCL wtr. POH w/ 2 3/8" tbg. SI for night.

5/22/07 RU, ran Comp Neutron/Gamma Ray Collar Log from PBDT to 2200'. Perf. w/ 5 1/2 select-fire csg gun w/38 holes (2477'-3404'). RIH w/5 1/2" x 2 3/8" AD-1 Tension Pkr, 1 jt w/SN below pkr to 3436'. SI for night.

5/23/07 RU Schlumberger to acidize. Pump 22 bbls to spot acid across perf's, PU & set AD-1 pkr @ 2412', SN @ 2444', press. csg annulus to 500#. Acdz/w 3000 gal 15% NE FE acid, formation brok @ 900#, treating press 1250#-1380# @ 4.7 bpm, ball action 2450#-1800# @ 5.1 bpm, ball-out @ 3000#, SD, drop balls finish acidizing. I.S.D.P 1600# to 0 in 6 minutes. Tot. load 91 bbls. Swab via 2" tbg to reserve pit. Swab down making acid wtr and good show of gas. SI for night.

ACCEPTED FOR RECORD

JUL 20 2007
[Signature]

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) GAYE HEARD	Title AGENT
Signature <i>Gaye Heard</i>	Date 05/25/2007

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	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 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)

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