

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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 page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	2. Name of Operator Siana Operating, LLC	3a. Address PO Box 10303 Midland Texas 79702	3b. Phone No. (include area code) 432-687-6600	5. Lease Serial No. NM 35164	6. If Indian, Allottee or Tribe Name
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310' FNL & 720' FEL Section 10, T-23S, R-34E				7. Unit of CA/Agreement, Name and/or No.	
				8. Well Name and No. Newkumet Federal #1	
				9. API Well No. 30-025-32937	
				10. Field and Pool or Exploratory Area Antelope Ridge	
				11. Country or Parish, State Lea County, New Mexico	

12. CHECK THE 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 Off Lease
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Measurement
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Request for off lease measurement approval consideration for gas production on Newkumet Federal #1:

Gas production from Newkumet Federal #1 well to be measured off lease at the Brain 8036 JV-P #1 battery located in Unit L, Section 11, T23S, R-34E, operated by BTA Oil Producers whose offices are located 104 South Pecos, Midland, Texas 79701 - Transporter OGRID # 003002. Gas is transported via pipeline to metering facility into Antelope Ridge, gathering system, Lea County New Mexico.

* Estimated monthly production from well is around 150 mcf

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.	
Name (Printed/Typed) Bobbie Brice	Title Regulatory Agent
Signature Bobbie Brice	Date Aug 8, 2007

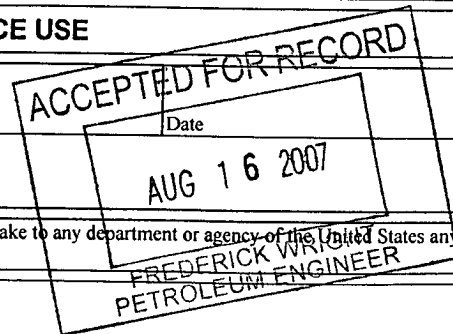
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

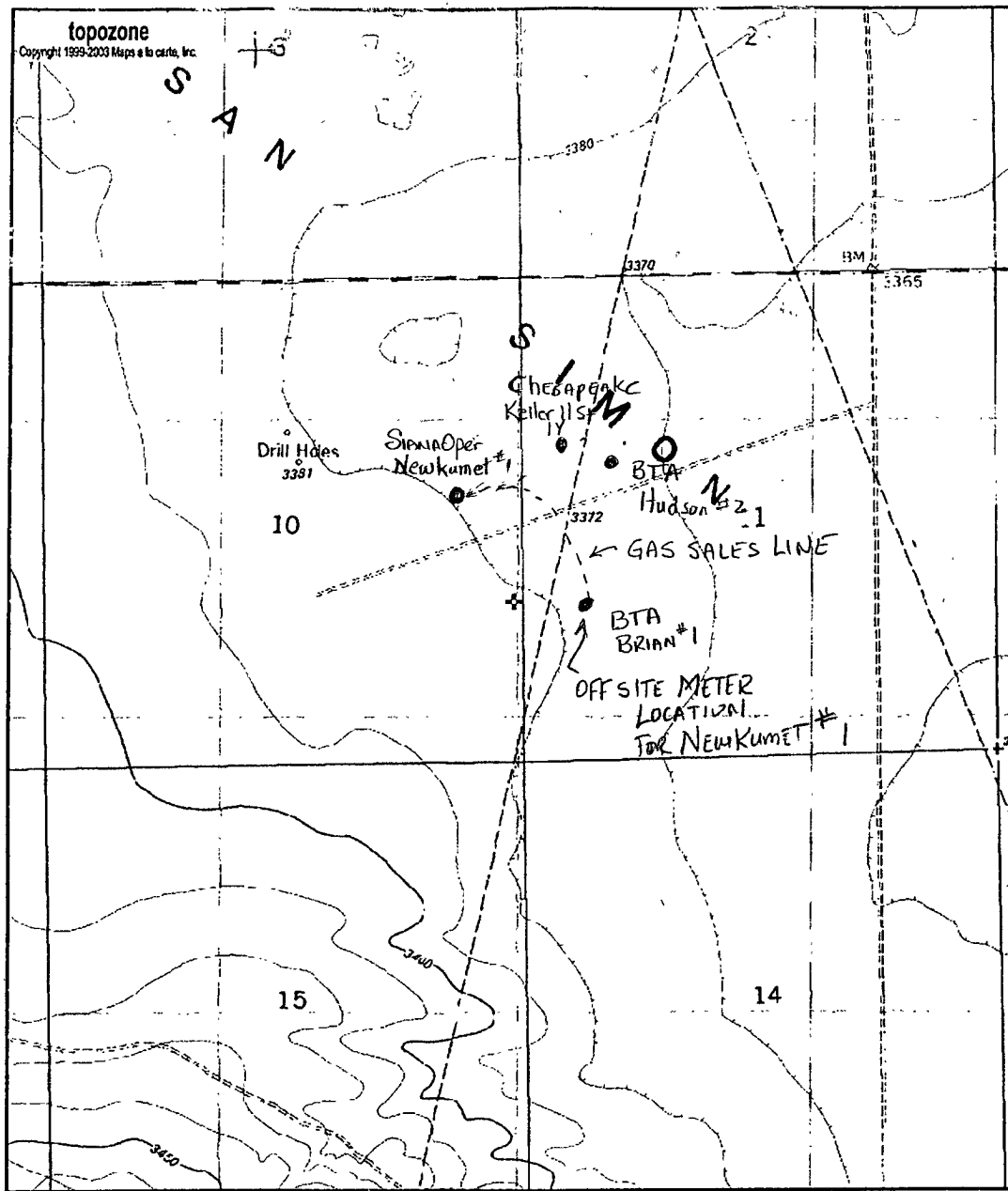
Approved by	Title
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office

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)

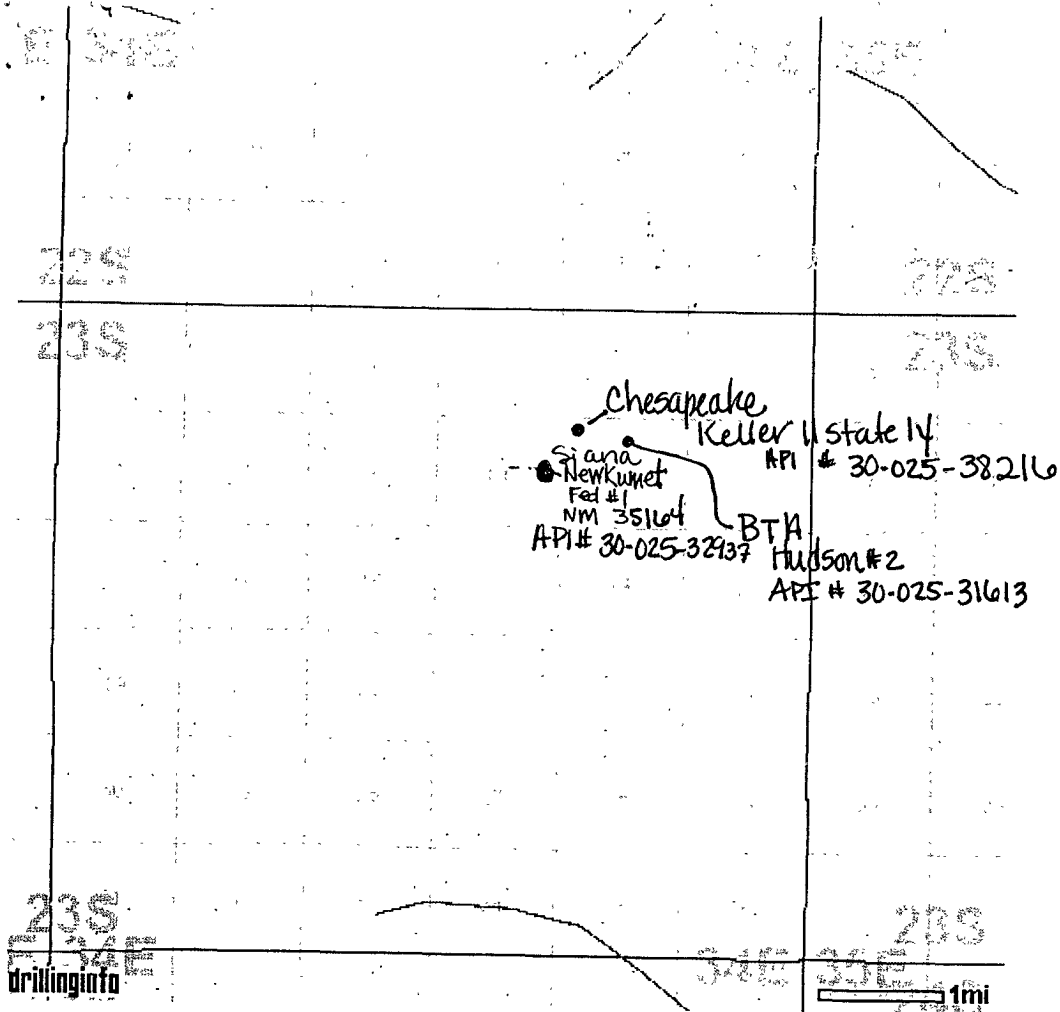
GWW





UTM 13 645991E 3576390N (NAD27)
USGS San Simon Sink (NM) Quadrangle
 Projection is UTM Zone 13 NAD83 Datum

*M
 M=8.513
 G=0.829





Laboratory Services, Inc.

2609 West Marland
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

FOR: Siana Oil & Gas Co., L.L.C.
Attention: Rick Vannoy
P. O. Box 10303
Midland, Texas 79702

SAMPLE: Meter Run
IDENTIFICATION Newkumet #1
COMPANY: Siana Oil & Gas
LEASE:
PLANT:

SAMPLE DATA: DATE SAMPLED 7/12/07 3:00 pm
ANALYSIS DATE: 7/13/07
PRESSURE - PSIG 24
SAMPLE TEMP. °F
ATMOS. TEMP. °F 86

REMARKS: Gas H2S = 0
Water Tank H2S = 0
Oil Tank 15632 H2S = 0
Oil Tank 15633 H2S = 0

COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)	0.000	
Nitrogen (N2)	11.598	
Carbon Dioxide (CO2)	0.000	
Methane (C1)	61.164	
Ethane (C2)	11.112	2.965
Propane (C3)	7.007	1.926
I-Butane (IC4)	1.466	0.479
N-Butane (NC4)	3.447	1.084
I-Pentane (IC5)	1.464	0.534
N-Pentane (NC5)	1.124	0.406
Hexane Plus (C6+)	1.618	0.702
	100.000	8.096
BTU/CU.FT. - DRY	1331	MOLECULAR WT. 25.7099
AT 14.650 DRY	1327	
AT 14.650 WET	1304	
AT 14.73 DRY	1335	
AT 14.73 WET	1311	
SPECIFIC GRAVITY -		
CALCULATED	0.884	
MEASURED		

SUNDRY NOTICE SPECIAL STIPULATIONS

1. This sundry is accepted for record only. Approval for the Off Lease measurement of the gas production is subject to the following stipulations:
2. Operator will provide information on the pressure ratings of the flow lines and the pressures that the lines are anticipated to be exposed to, as well as a copy of the right of way for the flow line.
3. If the operator plans beneficial use of the some of the produced gas, this gas must be diverted on the lease and before the gas allocation measurement point.
4. Operator must provide a gas analysis of the produced gas and an explanation of the proposed allocation routine to show that the lease will not show a monetary loss under this routine, whether from volume or BTU value.
5. Operator will provide as built diagrams showing the locations of all lines and meters.
6. All of this information should be provided in a sundry.
7. Operator must provide a statement from the purchaser that they will only accept delivery of the gas if it is metered at the delivery end of the line.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 8/16/07