OCD-HOBBS

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OM B No 1004-0137 Expires March 31, 2007

BUREAU OF LAND MANAGEMENT 5 Lease Senal No NMNM 60393 SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE- Other instructions on reverse side. 202122233 1 Type of Well Öil Well Gas Well Other Well Name and No 2 Name of Operator Burk Royalty Co., LTD. Keohane "A" Federal #15 API Well 4 15 304925-08465*////*7 3a Address 3b Phone No (include area code) Field and Pool or Exploratory Are Lynch, Vates (Seven Rivers) P. O. Box 94903 Wichita Falls, Texas 76308 940/397-8600 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) County of Parish, State 330' FSL & 1650' FEL, Section 27, T20S, R34E Lea County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE. REPORT, OR-OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Well Integrity Fracture Treat Reclamation Casing Repair Subsequent Report New Construction Recomplete Other Change Plans ✓ Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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) 07/19/07 Thursday Obtained updated plugging procedure from BLM Carlsbad, Wesley Ingram. Contacted BLM Hobbs, Steve Caffey. MIRU Triple N rig #25 and plugging equipment. Set steel pit (07/18/07). Unseated pump and POOH w/ 73 3/4" & 77 1/4" rods & pump. SDFN. 07/20/07 Friday Contacted BLM, Jims, 9:08 am. ND wellhead, NU BOP. POOH w/ production tubing (tally 3,545.60'). RIH w/ 51/2" HM tubing-set CIBP on production tubing. RU cementer and set CIBP @ 3,452'. Circulated hole w/ mud, pumped 35 sx C cmt 3,452 - 3,114'. PUH w/ tubing, WO brine. Circulated hole w/ mud. Finished POOH w/ tubing. WOC and tagged cmt @ 2,972'. RIH w/ wireline and perforated casing @ 1,920', POOH w/ wireline. RIH w/ packer. Set packer @ 622'. Pressured up to 1,500 psi, no rate into perforations @ 1,920' (TOC 630' by TS). Released packer and POOH. RIH w/ tubing to 1,990'. Loaded hole and pumped 25 sx C Cmt 1,990 - 1,749'. POOH w/ tubing, SD for weekend. 07/23/07 Monday RIH and tagged cmt @ 1,743', PUH and perforated casing @ 354', POOH w/ wireline. ND BOP. RIH w/ packer to 30'. Set packer and established circulation in 5½ x 85%" and circulated 110 sx C cmt 354' to surface. Released packer, POOH. Topped off wellbore w/ emt. RDMO. Cut off wellhead and anchors, installed dry hole marker, backfilled cellar, I hereby certify that the foregoing is true and correct Name (Printed/Typed) James F. Newman, P.E Title Engineer, Triple N Services, Inc. 432-687-1994 ACCEPTED FOR RECORD Signature Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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 Office which would entitle the applicant to conduct operations thereon lo make to

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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

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