orm 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

CUMPRY MOTICES AND REPORTS ON WELLS

OCD-HOBB	S
OCD-11ODD	~

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No. NMLC068848

SUMBAT MOTIOES AND THE STATE OF	
orm for proposals to drill or to deepen or reentr	ry to a different reservoir.

6. If Indian, Allottee or Tribe Name Do not use this for Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Oil Well Other MARSHALL FED. 2. Name of Operator PRONGHORN MANAGEMENT CORPORATION 3. Address and Telephone No.
P. O. BOX 1772 HOBBS, NM 88241 505-392-2495 10. Field and Pool, or Exploratory Area CRUZ DELAWARE 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 2600' FSL & 1230' FWL LEA S19-T23S-R33E CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION X Notice of Intent Change of Plans Abandonment Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Other Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Move in and rig up. POOH with rods and pump. Swab well. Check production and fluid level. Install B.O.P. POOH with tubing. 3. Rig up wireline and perforate additional Bell Canyon Ramsey Sand pay. 5. TIH with frac tubing and packer. Rig up BJ. Frac well. See conditions of ment by correlating)

Tresident

Tresident Swab and flow test well. Put well on production. SQQOH Clean Location. Rig down. Move out. 14. I hereby certify that the foregoing is true and correct 7/17/07 Title (This space for Federal or State office use OC DISTRICT SUPERVISOR/GENERAL MAN Approved by _______ Conditions of approval, if any: Date Title 18 U.S.C. Section 1001, makes 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. WESLEY W INGRAM

Marshall Federal #5, #6, #7, #8 Pronghorn Management Corporation August 6, 2007 Conditions

It has come to my attention that Pronghorn Management Corporation is currently under a shut-in order.

Therefore, until the bond conditions required in the shut-in order have been met and the assessments paid, the proposed plan for these wells can't be approved.

After the bond has been increased to \$150,000 and proper documentation submitted to the Carlsbad Field Office, the program for these wells can be resubmitted and will be reviewed again.

The plan to reduce the spacing to 20 acres will have to be reviewed by NMOCD as a non-standard spacing unit. 19.15.3.104.D.2.

WWI 080607