

OCD-HOBBS

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 NM 90162 |
| 2 Name of Operator Burgundy Oil & Gas of New Mexico Inc. / | | 6 If Indian, Allottee or Tribe Name |
| 3a Address 401 W. Texas Ave Suite 1003, Midland, TX 79701 | 3b Phone No (include area code) 432-684-4033 | 7 If Unit or CA/Agreement, Name and/or No |
| 4 Location of Well (Footage, Sec, T, R, M, or Survey Description) 1980' FSL & 660' FEL, SEC. 31, T21S, R36E Unit I | | 8 Well Name and No Lockhart B-31 #8 / |
| | | 9 API Well No 30-025-04856 / |
| | | 10 Field and Pool, or Exploratory Area Eunice Seven Rivers Queen / |
| | | 11 County or Parish, State Lea, 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 checked="" type="checkbox"/> Production (Start/Resume) |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input checked="" 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 |

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.)

- 11/27/2007 - MI x RU - Drl out cmt and cmt ret
- Perf 3240 - 3300' - Acd w/ 500 gal 15% HCl
- Frac well w/ 75000 gal wtr & 95000 lbs sd
- Clean out sand
- RIH w/ Prod Equip - make necessary tie-ins x put to pumping
- 01/07/2008 - 24 hr potential - Pmp 4 BO x 4 BW x 100 MCF

RECEIVED

APR 11 2008

HOBBS OCD

ACCEPTED FOR RECORD

APR 8 2008
/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Cindy K. Campbell

Title Production Assistant

Signature

Cindy K. Campbell

Date

1/21/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

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)