

SEP 22 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs NM 88240

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

HOBBS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
030132A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other ☒

2. Name of Operator
Sagebrush Oil and Gas Company LLC ☒

3a. Address
400 W Illinois, Suite 950
Midland, Texas 79701

3b. Phone No. (include area code)

432-685-0169

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Tom Closon #1-7

9. API Well No.
see attached ☒

10. Field and Pool or Exploratory Area
Jalmat Tan-Yates-7 Rvrs ☒

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

see attached

11. Country or Parish, State
Lea County, NM ☒

12. CHECK THE 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 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>Change of Operator</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 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.)

As required by 43 CFR 3100.05 (A) and 43 CFR 3162.3 we are notifying you of a change of operator on the abvoo referenced lease. Sagebrush Oil and Gas Comapny LLC accepts all terms, conditions, stipulations and restrictions concerning the operations conducted on the lease effective 09/01/08. Sagebrush Oil and Gas Company LLC meets Federal Bonding requirements as follows (43 DFR 3104).

Bond Coverage: Statewide
Bond No: B004593 2681
Effective date of this change: 9/1/08

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

Title

R. DOUGLAS KEATHLEY, VICE-PRESIDENT OPERATIONS

Signature

Date

9-5-08

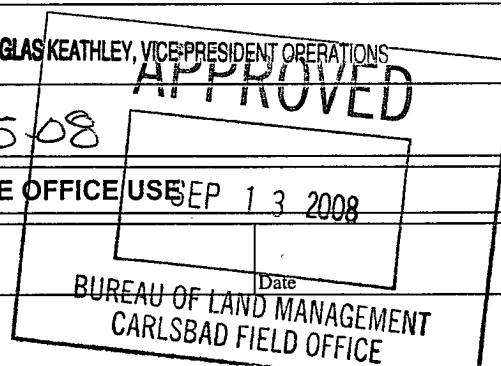
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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.



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)

[Handwritten signature]

33812 TOM CLOSSON #001

TOM CLOSSON #002

TOM CLOSSON #003

TOM CLOSSON #004

TOM CLOSSON #005

TOM CLOSSON #006

TOM CLOSSON #007

F J-6 -22S-36E ✓ J

F I-6 -22S-36E ✓ I

F G-6 -22S-36E ✓ G

F P-6 -22S-36E ✓ P

F 2-6 -22S-36E ✓ B

F O-6 -22S-36E ✓ O

F H-6 -22S-36E ✓ H

30-025-08801 ✓ G

30-025-08802 ✓ O

30-025-08803 ✓ O

30-025-08804 ✓ O

30-025-08805 ✓ G

30-025-08806 ✓ O

30-025-08807 ✓ O

79240 JALMAT;TAN-YATES-
7 RVRS (GAS)

33820 JALMAT;TAN-YATES-
7 RVRS (OIL)

33820 JALMAT;TAN-YATES-
7 RVRS (OIL)

EUNICE;SEVEN

24130 RIVERS-QUEEN,
SOUTH

79240 JALMAT;TAN-YATES-
7 RVRS (GAS)

79240 JALMAT;TAN-YATES-
7 RVRS (GAS)

33820 JALMAT;TAN-YATES-
7 RVRS (OIL)

07/08 X

07/08 X

07/08 X

07/08 X

07/08 X

07/08 X

07/08 X

#1 2310 FSL

1650 FEL ✓

#2 1980 FSL

660 FEL ✓

#3 2310 FNL

2310 FEL ✓

#4 660 FSL

660 FEL ✓

#5 660 FNL

1980 FEL ✓

#6 660 FSL

1980 FEL ✓

#7 1980 FNL

990 FEL ✓