OCD-HOBBS FORM APPROVED OM B No 1004-0137 Expires. March 31, 2007 **UNITED STATES** DEPARTMENT OF THE INTERIOR DEC 12 2008 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NM18264 SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name HOBBSOQUE 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. 1 Type of Well Oil Well □ Gas Well Other 8 Well Name and No. Federal D 12 2 Name of Operator Finley Resouces, Inc. 130-025-25737/ API Well No. 30-025-04358 3b Phone No (include area code) 3a Address PO Box 2200, Fort Worth, TX 76113 817-336-1924 10. Field and Pool, or Exploratory Area Eumont(Yates, Queen) 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11 County or Parish, State 990' FNL & 330' FEL of Section 27 - 20S - 36E Lea 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Well Integrity Alter Casing Reclamation Fracture Treat Other Establish yard Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Water Disposal Convert to Injection Plug Back 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.) Estacblish a "yaed" named Eumont Yard on the pad of the Federal D #12 well location in Lea County, NM. Establish yard Denied Remove all equipment not necessary

for production purposes at this time. This has not been approved in private surface owners agreement for well.

14 I hereby certify that Name (Printed/Ty	the foregoing is true and correct ped)				
Bob Howell		Title	Title Western District Manager		
Signature Signature		Date	Date 10/15/2008		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE					
DENIEd Approved by	/s/ JD Whitlock Jr		Title CPF7	Date 12/10/08	
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 LLS C. Section 1001 and Title 43 LLS 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.