

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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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.		6 Lease Serial No LC063659
1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7 If Indian, Allottee or Tribe Name
2 Name of Operator Element Petroleum Operating, LLC		8. Well Name and No. Gandy "59" #1
3a Address 110 W. Louisiana Avenue, Ste 405, Midland, TX 79701	3b. Phone No (include area code) 432-686-7707	9 API Well No 30-025-21235
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) E Sec 28-T9S-R38E 1980' FNL & 660' FWL		10. Field and Pool, or Exploratory Area Sawyer ; San Andres
		11 County or Parish, State Lea

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 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 Change of Operator
	<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 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.)

Change of Operator Effective March 1, 2009

Previous Operator:
Manhattan Petroleum, Inc.
P O Box 11211
Midland, TX 79702

Please be advised that effective March 1, 2009, Element Petroleum Operating, LLC assumed operatorship of the referenced well. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Element Petroleum Operating, LLC under their statewide bond, BLM Bond No. NMB000582. Element Petroleum Operating, LLC will be responsible for compliance under the lease terms and conditions for that portion of the lease associated with this notice.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Todd Gibson	Title General Manager
Signature 	Date 9/25/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 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.	PETROLEUM ENGINEER Title Office K2	Date 9/25/09
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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)

APPROVED
OCT 09 2009
BUREAU OF LAND MANAGEMENT
FIELD OFFICE