New Mexico Oil Conservation Division, District I 1625 N. French Drive RECEIVED Hobbs, NM 88240 Form 3160-FORM APPROVED **UNITED STATES** (August 2007) EB 18 ZUIII DEPARTMENT OF THE INTERIOR OMB No 1004-0137 Expires July 31, 2010 HOBBSOCD BUREAU OF LAND MANAGEMENT 5 Lease Serial No NMNM15016 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2. **EXXON FEDERAL** 1. Type of Well Oil Well 8. Well Name and No. Gas Well Other 2 Name of Operator CANO PETRO OF NEW MEXICO, INC. 9 API Well No 30-005-20557 3a. Address 3b. Phone No (include area code) 10 Field and Pool or Exploratory Area 801 CHERRY STREET, SUITE 3200 UNIT 25 FORT WORTH, TX 76102 CATO; SAN ANDRES 817-698-0900 4. Location of Well (Footage, Sec., T,R.,M., or Survey Description) G-6-08S-31E 11. Country or Parish, State 1980 FNL & 1980 FEL **CHAVES** 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Water Shut-Off Production (Start/Resume) Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Other Remedial work to Recomplete Subsequent Report Change Plans return to production Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 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 must 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 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.) 9/1/2009: MIRU pulling unit and RIH to check for depth. Tagged up @ 3852' and rigged down 9/23/2009: MIRU pulling unit and RIH w/ 2-3/8" tubing to 3771' and nippled up well head 9/28/2009: MIRU pulling unit and RU swab equipment. Made 16 runs, swabbed

27 BF with 3% oil cut

9/29/2009: RIH w/ 1.5" insert pump and 12 7/8" D rods and 137 3/4" D rods.

Loaded and tested and RDMO

Waiting-oneBlaM-approval-of-flowline-before-we-caruproduce-sentineousty.

14 I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Collin Strawn		- N
	Title Engineer	•
Signature Clas Sun	Date 01/13/2010	PETROLEUM ENGINEER
ACCEPTED FOR RETHIN SPACE FOR FEE	ERAL OR STATE C	

Approved by

Conditions of approval, if arty, and attacted Approval of this notice does not warrant or certi 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 100 DAd/IDER3 G.S.Sction 1212, make it a crime for any person

fictitious or fraudulent statements of high reschiolists of any matter within its jurisdiction

Accepted For Record Only!

Please Note That As Of 02-09-2010, The **BLM Roswell Field Office Has Not Received** Your Right-Of-Way Application For A Flowline.

any false,

(Instructions on page 2)