New Mexico Oil Conservation Division, District 1 1625 N. French Drive

RECEIVED Hobbs, NM 88240 Form 3160-5 (August 2007) JUN Q & ZUIQ FORM APPROVED **UNITED STATES** OMB No. 1004-0137 DEPARTMENT OF THE INTERIOR HOSUSOCEUREAU OF LAND MANAGEMENT Expires: July 31, 2010 5. Lease Serial No. NM 0117529 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. 1. Type of Well 8. Well Name and No. Federal 21 #1 Oil Well Gas Well Other 2. Name of Operator Ridgeway Arizona Oil Corporation 9. API Well No. 30-041-10513 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 200 N. Loraine, Suite 1440 Midland, TX 79701 Chaveroo (San Andres) 1-432-687-0303 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) UL-M 660' FSL & 660' FWL. 11. Country or Parish, State Sec 21, T7S, R33E Roosevelt, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete Subsequent Report Other Change Plans 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.) NM-0117529 Accepted For Record Only! Approval Subject To 3108 (P0130)

Completing All Of The Work Required By This Notice Of Intent To Return Well To Production

Est start date 6/1/10.

Repair down hole failure. Reactivate pumping unit.

Reactivation of this well will facilitate the need for added tanks/vessels and other construction to occur on the existing Federal 21 production facility. Additions: 300 bbl steel tank, 300 bbl fiberglass water tank, new connections and piping. Clean out and repair existing 500 bbl steel tank.

General clean up.

Burm and fencing will be restored around production facility.

When Oil Is Sold Off This Lease We Will Need A Copy Of The Run Tickets For At Least Two Loads Of Oil With The First Run Ticket Due By DEC 01 2010 And The Second Run Ticket Due By MAR 02 2011!

At End Of 90 Day Period Ending SEP 02 2010!

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) L.A. Spittler, Jr. Title SR. WELL OPERATOPNS SUPERVISOR Date 05/17/2010 FOR RECOMISSPACE FOR FEDERAL OR STATE OFFICE USE

Approve

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

PETROLEUM ENGINEEN Title

entitle the applicant to conduct operations thereon.

Title 18 Ψ.S.C. Section 101 and Wite 4331 SEES ection 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.