

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0137
Expires: March 31, 2007

RECEIVED
OCT 06 2010
HOBBS

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.

5. Lease Serial No.
NM 23006

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Lusk '31' Federal No. 3

9. API Well No.

30-025-39593

10. Field and Pool, or Exploratory Area

Lusk No. Strawn, Lusk No. Wolfcamp,
Cisco-Canyon Wildcat

11. County or Parish, State

Lea, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Multiple completion and Downhole Commingling
	<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.)

Lynx Petroleum has reached TD on the subject well. We wish to request permission to complete the well in multiple zones and downhole commingling the Strawn, Cisco-Canyon, and Wolfcamp zones. The commingling will not reduce the value of the production and will allow Lynx to recover additional reserves that would not have been economically viable to capture otherwise. Ownership and percentages are identical in all zones.

The proposed perforated intervals are:

Zone 1: Strawn 11163-74' & 11202-212' w/6 JSPF

Zone 2: Cisco-Canyon @ 10972-92' w/4 JSPF

Zone 3: Cisco-Canyon @ 10738-58' w/4 JSPF

Zone 4: Wolfcamp @ 10332-36', 10358-64', 10370-72' & 10374-76' w/4 JSPF

See attached procedure.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**SUBJECT TO LIKE
APPROVAL BY STATE**

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

Title
AGENT

Signature

Date

8/19/10

PETROLEUM ENGINEER

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

OCT 5 2010

/s/ Dustin Winkler

Office

BUREAU OF LAND MANAGEMENT

CARLSBAD FIELD OFFICE

APPLICATION TO COMPLETE AND DOWNHOLE COMMINGLE

1. Tag and drill up cement and DV tool. Pressure test csg. to 1000 psi for 15 minutes.
2. Drill cement to PBTD of 11250'.
3. Circulate hole clean w/260 bbls. 2% KCL TFW leaving 2 bbls. 15% HCL-NE-FE acid on spot at 11250-11000'.
4. Run GR-CBL-CCL.
5. Perforate Zone 1.
6. Frac Strawn Zone 1 w/100,000 lbs. white sand carried in 3500 bbls. 10 lbs. gelled KCL water.
7. Set 10K Composite BP @ \pm 11100'. Perforate Zone 2.
8. Frac Cisco-Canyon Zone 2 w/100,000 lbs. white sand carried in 3500 bbls. 10 lbs. gelled KCL water.
9. Set 10K Composite BP @ \pm 10900'. Perforate Zone 3.
10. Frac Cisco/Canyon Zone 3 w/100,000 lbs. white sand carried in 3500 bbls. 10 lbs. gelled KCL water.
11. Set 10K Composite BP @ \pm 10650'. Perforate Zone 4.
12. Set packer @ \pm 10250'. Acidize Zone 4, Wolfcamp perms, w/1200 gals. 15% HCL-NE-FE acid plus 100 ballsealers.
13. Swab or flow-test the Wolfcamp separately before drilling out Cisco-Canyon plugs.
14. Drill out BP set at 10650' and 10900'. Set packer @ \pm 10500'. Test Cisco-Canyon shales.
15. Drill out BP set at 11100'.
16. Run tbg., pump, and rods, and place well on production.

Lynx Petroleum Consultants, Inc.
NM-23006: Lusk '31' Federal #3
API: 30-025-39593
Lea County, New Mexico

RE: Multiple Completion and Down Hole Commingle – Conditions of Approval

There is to be no surface disturbance beyond the originally approved pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

5000 (5M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

5M systems shall require two independent power sources, one of which may be nitrogen bottles (three minimum) maintaining a charge equal to the manufacturer's recommendations.

Submit subsequent report with updated wellbore schematic and completion report once work is completed.

DHW 092210