New Mexico Oil Conservation Division, District A.

1625 N. French Drive

UNITED STATES

Hobbs, NM 88240

FORM APPROVED OMB No. 1004-0137

DEPARTMENT OF THE INTERIOR Expires: July 31, 2010 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NOV 2 4 2010 SUNDRY NOTICES AND REPORTS ON WELLS NMNM 0145685 6. If Indian, Allottee or Tribe Name HOBEDO 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. ✓ Oil Well Gas Well Other Horton Federal 36 2. Name of Operator EOR Operating Company 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 200 N. Loraine, Suite 1440 Midland, TX 79701 Milinesand (San andres) 432-687-0303 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 11. Country or Parish, State Roosevelt, NM S30-T8S-R35E 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 Reclamation Well Integrity Alter Casing Fracture Treat Other Workover Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Plug Back Water Disposal Final Abandonment Notice Convert to Injection 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.) Start date:9/13/10 Repair, down hole equipment failure (rods, pump and or tbg) and return well to production. (2 7/8" tbg. SN @ 4718'. 5 1/2", 15.5# csg @ 4806'. Perforations 4655'-4688' & 4712'-4732') 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) L.A. Spittler, Jr. Title Sr. Well Operations Supervisor Date 10/11/2010 FOR RECORDIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Accepted For Record Only! Approval

Conditions of approval of this notice does not v that the applicant holds legal or equitable title to those rights in the subject leas entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 7001 and Ville 43 S.C. Section 1212, make it a crim fictitious or fraudulent statements or representations as to any matter within it

(Instructions on page 2)

Subject To Returning Well To **Continuous Production And Keeping** Well On Continuous Production!

e United States any false,