

RECEIVED

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

DEC 29 2010

HOBBSON

COIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED OGD

WELL API NO. <u>03971</u> 30-025-34746
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-1400
7. Lease Name or Unit Agreement Name State NMA
8. Well Number 1
9. OGRID Number 243978
10. Pool name or Wildcat Arkansas Junction Queen (Gas)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3878' DF

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator
Saber Oil & Gas Ventures, LLC

3. Address of Operator
400 W. Illinois, Suite 950, Midland, TX 79701

4. Well Location
Unit Letter A : 660 feet from the North line and 660 feet from the East line
Section 14 Township 18S Range 36E NMPM Lea County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Squeeze cement possible casing leak. Will rig up on well ASAP. Will run RBP and packer and isolate possible casing leak. The leak will then be squeeze cemented with the appropriate amount of cement. After cementing the squeeze will be drilled out and tested to 1000 psi.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Doug Keathley TITLE VP of Operations DATE 12/14/2010

Type or print name Doug Keathley E-mail address: doug@sagebrushoil.com PHONE: 432-685-0169

For State Use Only

APPROVED BY: [Signature] TITLE STAFF MGR DATE 1-3-11

Conditions of Approval (if any):