

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240
FORM APPROVED
BIA-104-0135
Expires November 30, 2000

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

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMD 51837
2. Name of Operator Matador Operating Company		6. If Indian, Allottee or Tribe Name
3a. Address 310 W. Wall, Ste 906 Midland, TX 79703	3b. Phone No. (include area code) 915-687-5955	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit 0, Sec 20, T15S, R30E 330' FSL; 2200' FEL		8. Well Name and No. VG Kinahan Federal #2
		9. API Well No. 30-005-21125
		10. Field and Pool, or Exploratory Area Little Lucky Lake Devonian
		11. County or Parish, State Chaves County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recompletion 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.)

Commenced operation to TA 1/29/02 per approval of Mr. Armando Lopez of BLM. Could not run CIBP to total depth. Received verbal approval to set cement plug in place of CIBP. RIH w/tbg. circ hole with 10# brine gel. Spot 33 sx "H" from 11045'. Mr. J.R. Hogwood of the BLM witnessed plug setting. Lowered tbg to tag plug. Set down @ 10125'. Attempt to test casing for integrity. Casing would not hold pressure. Received verbal plugging orders from Alexis Swoboda with the BLM 2/15/02. Pull 5-1/2" casing from 4333'. RIH w/tbg to 8100'. Set plugs as follows:

- Spot 26 sx "H" from 8100. WOC. Tag @ 7920' - Witnessed by J.R. Hogwood
- Spot 35 sx "H" from 5650' - Witnessed by J.R. Hogwood
- Spot 55 sk plug from 4380'. WOC. Tag @ 2945' - Witnessed by J.R. Hogwood
- Spot 40 sk shoe plug form 3050'. WOC. Tag @ 2945' - Witnessed by J.R. Hogwood
- Spot 30 sk plug from 522'. WOC. Tag @ 410' - Witnessed by J.R. Hogwood
- Spot 15 sk surface plug from 50'. Set dry hole marker. Witnessed by J.R. Hogwood

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Russ Mathis

Title

Production Manager

Signature

Russ Mathis

Date

2/21/02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

PE

Date

2/27/02

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 entitle the applicant to conduct operations thereon.

Office

RFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 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.

BWW