

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil & Gas Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0135
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. NMNM55149
2. Name of Operator Saga Petroleum LLC		6. If Indian, Allottee or Tribe Name
3a. Address 415 W Wall, Suite 1900, Midland, TX 79701		7. If Unit or CA Agreement, Name and/or No. NMNM84603X
3b. Phone No. (include area code) (915)684-4293		8. Well Name and No. Central Corbin Queen #405
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 2055' FWL Sec 9 (N), T18S, R33E		9. API Well No. 30-025-29813
		10. Field and Pool, or Exploratory Area Corbin Queen Central
		11. County or Parish, State Lea NM

12. CHECK APPROPRIATE BOX(ES) 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 <u>Convert to WSW</u>
	<input type="checkbox"/> Change Plans	<input 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 recomplate horizontally, give subsurface locations 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.)

Refer to Noncompliance Number KAH-021-01

Intent to attempt conversion of well to water supply by perforating Santa Rosa from +/- 845' to +/- 1165'
Acidize and test for water supply productivity. Waiting on well service unit to commence operations.

**SUBJECT TO
LIKE APPROVAL
BY STATE**

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Bonnie Husband		Title Production Analyst
Signature <i>Bonnie Husband</i>		Date 02/16/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by ORIG. SGD GARY GOURLEY	Title PETROLEUM ENGINEER	Date FEB 26 2001
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

Title 18 U.S.C. Section 1001, makes 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.