Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

N.M. Oil Cons. Division 1625 iv. French Dr. FORM APPROVED Hobbs, NM 88240 udget Bureau No. 1004-0135

Date

Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. LC 069276 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Well Well 2. Name of Operator Gazelle 31 Federal #3 Nearburg Producing Company 9. API Well No 3. Address and Telephone No. 30-025-35339 3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-8235 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Corbin Morrow: South 11. County or Parish, State Unit I, 1980' FSL and 660' FEL, Section 31, T18S, R33E Lea County, New Mexico 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Other Intermediate Casing and Cement Dispose Water (Note: Report results of multiple completion on Wei Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinet details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markders and zones pertinent to this work.)* 12/24/01: Drilled to 3,112'. C&C hole. RU and ran 71 jts of 8-5/8", 32#, J55, ST&C casing to 3,112'. Cement casing using 700 sx 35/65 "C" poz + additives and 200 sx "C" 2% CC. Circ 89 sx cmt to surface. WOC 26 hrs. Cut off csg and weld on wellhead. NU BOPE and test. I hereby certify that the foregoing is true and correct Date 01/26/01 Regulatory Analyst PETROLEUM ENGINEER for Federal or State office use Approved by (ORIG. SGD.) GARY GOURLEY

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.

Title

Conditions of approval, if any

MASON .