

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

JAN 19 2011

Farmington Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM 070361
2. Name of Operator Benson-Montin-Greer Drilling Corporation		6. If Indian, Allottee or Tribe Name N/A
3a. Address 4900 College Blvd Farmington, NM 87402	3b. Phone No. (include area code) 505-325-8874	7. If Unit of CA/Agreement, Name and/or No. Canada Ojitos Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 424' FSL and 281' FEL, Sec 27, T25N, R1W		8. Well Name and No. #46
		9. API Well No. 30-039-30981
		10. Field and Pool or Exploratory Area Puerto Chiquito Mancos West
		11. Country or Parish, State Rio Arriba, NM

12. CHECK THE 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 checked="" 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat 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.)

RCVD JAN 21 11
OIL CONS. DIV.
DIST. 3

Benson-Montin-Greer Drilling Corporation spudded the COU #46 on Dec 28, 2010. The hole was dug with backhoe and 16" 42.05 lb/ft J-55 casing was set at a depth of 15 ft below GL. The casing was cemented with 6.5 cu yds ready mix concrete.

The 14 3/4" surface hole was drilled to 510', depth reached on 1-10-2011. When 10 3/4" casing was to be run the hole conditions prevented the casing from being placed in the hole. Upon further investigation the operator determined that the existing hole was too unstable to use and verbal approval from BLM, NMOC and Santa Fe National Forest was obtained to plug the existing wellbore. ✓

The Canada Ojitos # 46 wellbore was plugged and abandoned as follows: The workover rig was rigged up 1-14-11, 2 7/8" tubing was run to 126', the hole had closed off at that point. The well was cemented on 1-15-11. A cement plug of 15 bbl (85 cu ft) Type III was placed at 120'. The tubing was pulled to 88', a cement plug of 17 bbl (95 cu ft) was pumped with mud returns to surface, an additional 22 bbls (124 cu ft) cement was pumped with cement returns to surface. ✓ The tubing was removed from the well and 4 bbls (22 cu ft) cement was used for the top out. ✓ The 16" casing was cut off 2' below GL. The Canada Ojitos Unit # 46Y will be drilled 25' due north of the abandoned COU # 46. ✓

JAN 20 2011
FARMINGTON FIELD OFFICE
BY TL Salvors

* BLM inspector was on location to verify plugging operation

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Loren Diede

Title Drilling and Completions

Signature

Date 01/17/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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 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.

(Instructions on page 2)