

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

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.

5. Lease Serial No. FEE *Fee*
6. If Indian, Allottee or Tribe Name

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		7. If Unit of CA/Agreement, Name and/or No. NMNM82050X
2. Name of Operator Cano Petro of New Mexico, Inc.		8. Well Name and No. CATO SAN ANDRES UNIT NO. 127
3a. Address PO Box 4470, Tulsa, OK 74159-0470	3b. Phone No. (include area code) 918-582-0088	9. API Well No. 30-005-20071
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit Ltr A: 660' FNL & 660' FEL of Sec 22 - T08S - R30E		10. Field and Pool or Exploratory Area CATO (SAN ANDRES)
		11. Country or Parish, State CHAVES COUNTY, NEW MEXICO

12. CHECK THE 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 checked="" 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 checked="" 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 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 recompleate 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 recompleation 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.)

To re-establish production on this TA'd well per BLM agreement:

1. MIRU Well Service Company and circulating tank. Fill tank with treated (bactericide) lease water.
2. RIH w/notched collar on 2-3/8" WS to clean out to PBTD of 3655'. Circulate bottom up for 2 hrs. Then POOH w/same.
3. RIH w/WS & AD-1 type Pkr to 3460' +/- No higher than 3446'. Set Pkr & pre-test integrity of casing to 500 psig for 1/2 hr.
4. If well does not have integrity. Then POOH w/WS & pkr setting pkr every 100' to find bad spot. After discussion w/ Tulsa Engineers squeeze holes to repair casing. Do another pre-test until well passes.
5. When well passes Pre-MIT then set up witnessed MIT w/BLM - Roswell & NMOCD from Hobbs.
6. After well passes final MIT, unseat the Pkr & RIH to 3596' +/- Spot 2500 gal 15% NEFE acid @ EOT. Then POOH w/ WS & Pkr to 2000'. Set Pkr & close casing valves. Squeeze acid into existing perms & over flush w/2 Bbl treated water. Watch acid pressure drop for 2 hrs.
7. Unseat Pkr and RIH w/WS & Pkr to 3470' & begin flowback & swab of load.
8. With most load recovered POOH w/ WS & Pkr.
9. RIH w/bull-plugged jt of 2-3/8" tbg as a MA, 1 4"X2-3/8" perfed sub, 1 2" SN, & tested tbg to 3470'.
10. RIH w/2" gas separator on bottom of 1.5" RHTC pump & straight 3/4" rods & pony rods to seat pump in SN.
11. Long stroke pump w/rig to assure good pump action.
12. Hang well on Unit & RDMO Well Service Unit & water tank.
13. Lay flowline, hook to electrical grid and POP.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**SUBJECT TO
LIKE APPROVAL
BY NMOCD**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) David P. Spencer	Title Senior Oil and Gas Engineer
Signature <i>David P. Spencer</i>	Date 08/12/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>151 Angel Mayes</i>	Assistant Field Manager, Land and Minerals	Date <i>8-28-14</i>
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 Roswell Field 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)

SEP 10 2014

Well Bore Schematic

Well: CSAU #127
Field: Cato (San Andres)

Unit Ltr: A 660 FNL & 660 FEL
Sec 22 - T85 - R30E
Chaves County, New Mexico

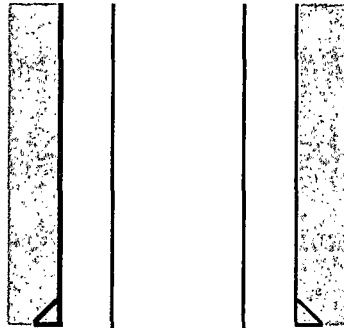
Present: XXXX
Proposed:

Original Elev: GL 4166'
KB

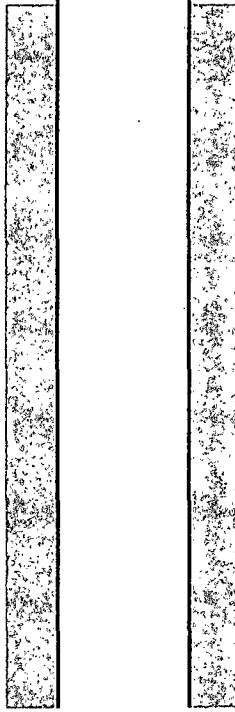
S U R F A C E

Lease No. or Type: Fee

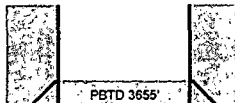
API Number: 30-005-20071
Spud Date: 5/13/67
Comp Date: 5/23/67
First Prod:



Calc TOC = 2036'



Perfs: 3496', 3500', 3506', 3509', 3511',
3515', 3517', 3519', 3552', 3555', 3558',
3560', 3562', 3564', 3568', 3569' w/ 2 spft



PBTD 3655'

4-1/2" 9.5 #/ft @ 3696' w/ 350 sx

TD: 7-7/8" hole @ 3700'

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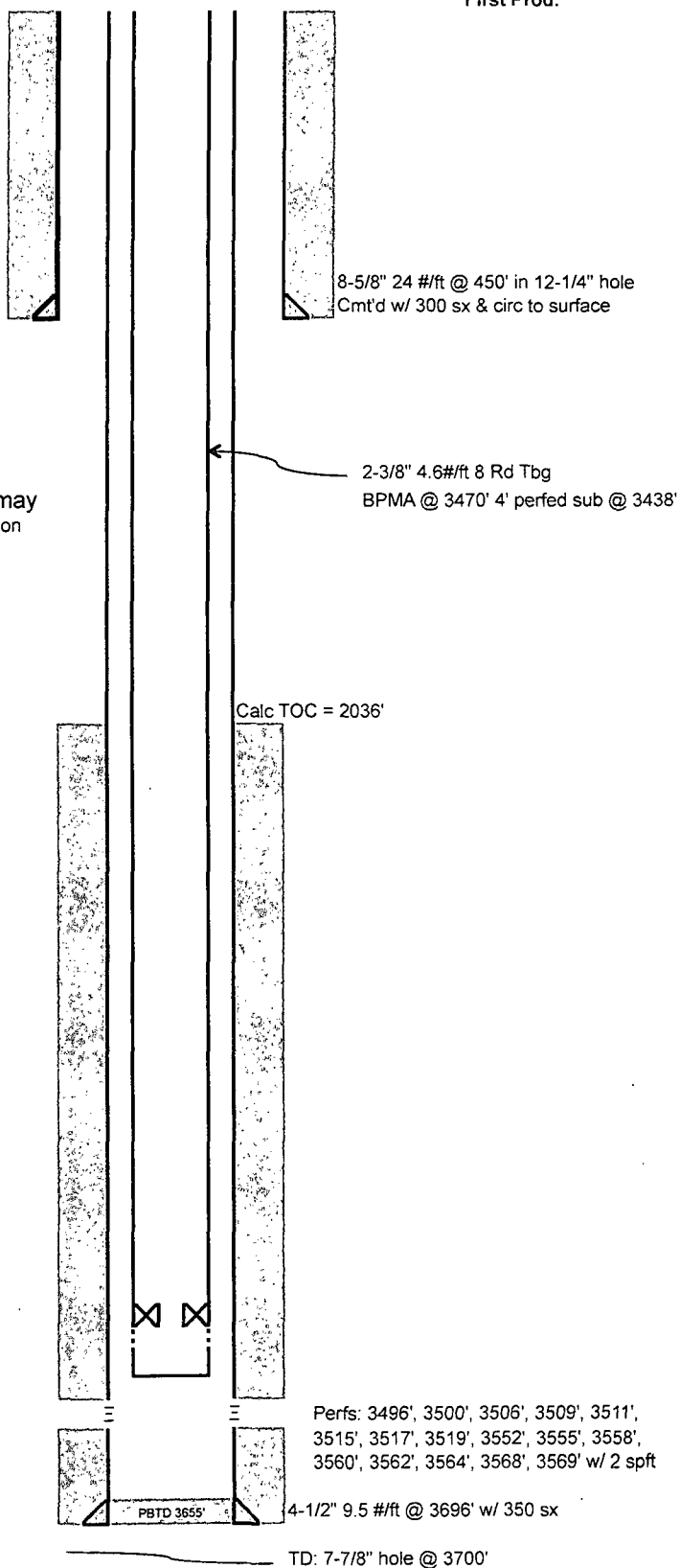
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S U R F A C E

Lease No. or Type: Fee

API Number: 30-005-20071
Spud Date: 5/13/67
Comp Date: 5/23/67
First Prod:

No known Workovers other than pump changes found in files. NOTE: Appears that in 2007 Lothian Oil may have converted this to an injection well? No record of injection



Not to Scale

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
575-627-0272

Contact the BLM Roswell Field Office at least 24 hours prior to the scheduled Casing Integrity Test. **For wells in Chaves and Roosevelt County, during office hours or after office hours call (575) 627-0205.** Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.