

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

RECEIVED

Form 3160-5
 (August 2007)

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

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

MAR 18 2010
HOBBSOCD

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.
 NMLC060978

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

Injection

7. If Unit of CA/Agreement, Name and/or No.
 NMNM70990X

8. Well Name and No.
 MILNESAND SA 310

2. Name of Operator

EOR OPERATING COMPANY

9. API Well No.
 30-041-10059

3a. Address
 One Riverway Suite 610
 Houston, TX 77056

3b. Phone No. (include area code)
 832-485-8500

10. Field and Pool or Exploratory Area
 MILNESAND SA

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)
 1980' FNL & 1909' FWL
 UL F 19-8S-35E

11. Country or Parish, State
 ROOSEVELT, NM

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 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 recomplete 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 recompletion 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.)

Case Number 03-040-091

Well failed Mechanical Integrity Test on 2/1/10. Well is SI due to a down hole failure. (tbg, pkr or csg leak). Re-activate water injection well. Replace down hole equipment, conduct MIT and return well to water injection.

Accepted For Record Only! Approval Subject To Returning Well To Continuous Injection And Keeping Well On Continuous Injection Or Plugging Well With An Approved Plugging Program!

ACCEPTED
APPROVED FOR 90 DAY
MONTH PERIOD
ENDING JUN 02 2010

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

Lawrence A. Spittler, Jr.

Title SR. WELL OPERATOPNS SUPERVISOR

Signature

Date 02/02/2010

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

DISTRICT 1 SUPERVISOR

Date **MAR 19 2010**

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 1011 and Title 49 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)