

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. 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		Serial No. NM-9016
2. Name of Operator St. Mary Land & Exploration c/o Nance Petroleum Corporation		6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 7168 Billings, MT 59103	3b. Phone No. (include area code) (406)245-6248	7. If Unit or CA/Agreement, Name and/or No. East Shugart Delaware Unit 25743
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 760' FNL & 330' FWL UCL: D Sec. 19-T18S-R32E		8. Well Name and No. ESDU #7
		9. API Well No. 30-025-29887
		10. Field and Pool, or Exploratory Area Shugart Delaware East
		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 checked="" type="checkbox"/> Alter Casing	<input checked="" 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 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 shall 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 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.)

We propose to perforate addition Delaware interval and stimulate with a limited entry design fracture treatment.

Proposed perforations: 5078-5079' w/5 holes  
5136-5137' w/7 holes

Proposed frac: 57,000 gallons linear and crosslinked gel  
75,500 lbs. 20/40 mesh resin coated sand ramped 1/2 - 8 ppg

Timing will be upon approval and availability of services - expect mid-December, 2000.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Herb Thackeray	Title Operations Engineer
Signature <i>Herb Thackeray</i>	Date 11/15/00

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by (ORIG. SGD) ALEXIS C. SWOBODA	PETROLEUM ENGINEER	Date NOV 22 2000
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.

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