

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.

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. 14
3a. Address PO Box 4470, Tulsa, OK 74159-0470	3b. Phone No. (include area code) 918-582-0088	9. API Well No. 30-005-20066
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unnit Ltr C: 660' FNL & 1980' FWL of Sec 09 - T08S - R 30E		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 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.)

To return well to production as part of BLM settlement agreement:

1. MIRU Well Service Unit & circulating tank. Fill with treated lease water.
2. POOH w/ rods, tbg & Pkr. Test tbg on way out of hole to 5000 psig and replace any bad joints. Re-use as Work String (WS). Redress pkr for re-use in testing.
3. RIH w/notched collar on 2-3/8" WS to clean out to PBDT of 3315'. Circulate bottoms up for 2 hrs, then POOH w/ same.
4. RIH w/AD-1 style Pkr on WS to 3150' +/- (No higher than 3122'). Perform pre-test of casing to 500 psig. Try to hold steady for 1/2 hr.
5. If well fails pre-test then POOH w/ WS & Pkr. in 100' intervals to locate bad pipe. After discussion with Tulsa Engineers squeeze bad interval.
6. Clean-out hole after squeeze cementing and re-test csg integrity. When well passes pre-test schedule witnessed MIT w/BLM - Roswell & NMOC in Hobbs.
7. After passing MIT unseat Pkr. RIH w/WS & Pkr to 3290'. Spot 2500 gal 15% NEFE acid to EOT. POOH w/ WS & Pkr to 2000'.
8. Set Pkr, close casing valves & squeeze acid into existing perms. Record bleed off pressures for 2 hrs. After that unseat Pkr & RIH w/WS & Pkr to 3150' & begin recovering load.
9. After recovering most of load, POOH w/ WS & Pkr.
10. RIH w/1 jt 2-3/8" tbg bull-plugged for a MA, then 1-4' perfed sub of 2-3/8", a 2" SN, & tested 2-3/8" tbg. Put EOT @ 3150' +/-.
11. RIH w/2" gas separator on bottom of 1.5" RHTC pump & straight 3/4" rod string to seat pump in SN.
12. Long stroke pump with rig to assure proper pump action. Hang well on Pumping Unit and RDMO Well Service Unit & circulating tank.
13. Hook up flow lines and electricity and POP.

SUBJECT TO
LIKE APPROVALSEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /s/ Angel Mayes	Assistant Field Manager, Lands And Minerals	Date 8-28-14
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 #14
Field: Cato (San Andres)

Unit Ltr: C 660 FNL & 1980 FWL
Sec 9 - T85 - R30E
Chaves County, New Mexico

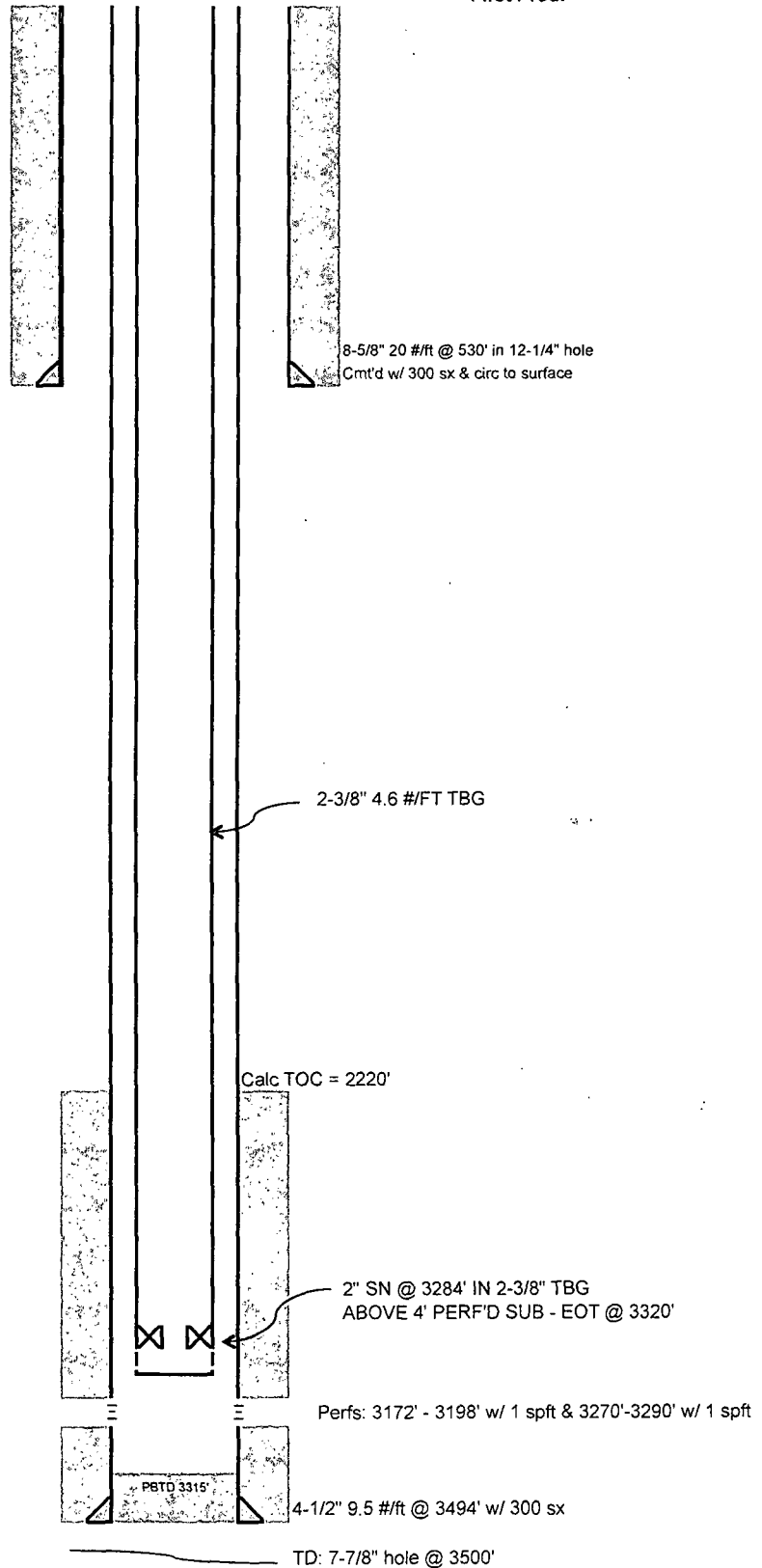
Present: XXXX
Proposed:

Original Elev: GL 4040'
KB

S U R F A C E

Lease No. or Type: Fee

API Number: 30-005-20066
Spud Date: 4/29/67
Comp Date: 6/3/67
First Prod:



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.