BUR SUNDRY N Do not use this t abandoned well. SUBMI	UNITED STATES PARTMENT OF THE INTERI EAU OF LAND MANAGEM IOTICES AND REPORTS OF form for proposals to drill Use Form 3160-3 (APD) fo T IN TRIPLICATE – Other instruction Well	ENT JUN 13 ON WELLS or to re-enterarily r such proposals.	s 2013 VED	FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014 5. Lease Serial No. NMNM-88523 6. If Indian, Allottee or Tribe Name 7. If Unit of CA/Agreement, Name and/or No. Querecho Plains Bone Springs Sands Unit 8. Well Name and No.		
				QPBSSU 2A #1 9. API Well No. 30-025-30583		
3a. Address PO Box 5270, Hobbs NM 88	240	ne No. <i>(include area code,</i> 393-5905)	10. Field and Pool or Exploratory Area Querecho Plains U. Bone Springs		
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) Sec 24, T18S, R 32E NWNW 660' FNL & 660' FWL				11. County or Parish, State LEA COUNTY, NM		
12. CHEC	CK THE APPROPRIATE BOX(ES) TO	O INDICATE NATURE (OF NOTIC	CE, REPORT OR OTHER DATA		
TYPE OF SUBMISSION		ТҮРЕ	E OF ACTI	10N		
Notice of Intent	Acidize	Deepen Fracture Treat New Construction	Recla	uction (Start/Resume) Water Shut-Off amation Well Integrity omplete Other		
Subsequent Report	Change Plans	Plug and Abandon	Temp	porarily Abandon		
Final Abandonment Notice		Plug Back		er Disposal		
determined that the site is ready for Braden head test was performed or the Mewbourne Oil Company's Que notified but did not witness. Mewbourne Oil Company is current	r final inspection.) n the QPBSSU 2A #1, OK while we brecho Plains Waterflood. Left well s ly evaluating economics on this we SE	ll being shut in. Did not shut in. This test was pe	perform in erformed F	reclamation, have been completed and the operator has integrity test due to being shut in. This well is included in Feb 12, 2013. Donna Mull with the NMOCD was		
14. I hereby certify that the foregoing is t	rue and correct. Name (Printed/Typed)					
Antonio Martinez		Title ENGINEE	:R 			
Signature	MA	Date 02/19/201:	3	APPROVED		
(/	THIS SPACE FOR F	EDERAL OR STA	TE OFF	FICE USE		
Approved by Conditions of approval, if any, are attached that the applicant holds legal or equitable t entitle the applicant to conduct operations Title 18 U.S.C. Section 1001 and Title 43	nich would Office	:. willfully to	JUN 1 1 2013 Date <u>/s/ Chris Walls</u> BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE o make to any department or agency of the United States any false,			
	sentations as to any matter within its juri	sdiction.				
(monucious on page 2)	19.1 L	6 - 1 1		· · · · · · · · · · · · · · · · · · ·		

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GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and grantingapproval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

DRADENIEAD TEST REFORT							
Mp. bourne Oil Company				· 30	· 30-025-30583		
Property Name () PBSSU 2A					Well No. 1		
⁷ . Surface Location							
UL-Lot Section To D 24	ownship Range 18532E	Feet from	N/S Line	Feet From	E/W Line W	Lea	
Well Status							
Well Status	SHUT-IN	PRODUCING		DATE			

OPEN BRADENHEAD AND INTERMEDIATE TO ATMOSPHERE INDIVIDUALLY FOR 15 MINUTES EACH

OBSERVED DATA

If bradenhead flowed water, check all of the descriptions that apply:

	(A)Surf-Interm	(B)Interm(1)-Interm(2)	(C)Interm-Prod	(D)Prod Csng	(E)Tubing
Pressure			0#	SO#	0#
Flow Characteristics				0	
Puff	Y/N	Y / N	¥76	(Y) N	
Steady Flow	Y7N	Y/N	¥7@	YIO	
Surges	Y/N	¥7 N	XO	Y/N	
Down to nothing	Y/N	Y/N	U N	(P) N	
Gas or Oil	Y/N	Y / N	Y/Q	Y/Q	
Water	Y/N	Y/N	Y/N	Y7(N)	

If bradenhead flowed water, check all of the descriptions that apply:

CLEAR FRESH SALTY SUL	LFUR BLACK

Remarks: Well was SI. Performed bradon head tost, OK. Did not Porform pressure test due to well being shut in. Membourne Oil Company is evaluating economizs on this well. Well was shut in due to leak on injection line

Signature: At Mts	OIL CONSERVATION DIVISION
Printed name: Antonio Martinez	Entered into RBDMS
Title: Production Engineer	Re-test
E-mail Address: amartinez @ mewbourne. com	· · · · · · · · · · · · · · · · · · ·
Date: 2/12/2013 Phone: (575) 390-1818	
Witness:	

Mewbourne Oil Company Querecho Plains BS S Unit 2A – 01 API 3002530583, T18S-R32E, Sec 24

Determine the operational value and condition this well with consideration of production in paying quantities or of service use value. **Submit evidence to support your determination and your wellbore reconditioning plans for BLM approval** on the Sundry Notice Form 3160-5 (the original and 3 copies) with your committed timetable for accomplishment **before 07/11/2013**.

A legitimate request is necessary for extension.

An inactive/shut-in well bore is a non-producing completion that is capable of "beneficial use" i.e. production in paying quantities or of service use.

- 1. Submit evidence to support your determination that the well has been returned to active "beneficial use" for BLM approval on the Sundry Notice Form 3160-5 (the original and 3 copies) before 08/11/2013.
- 2. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.

CRW 061113

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.