

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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DEC 07 2009

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

HOBBSD

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		5. Lease Serial No NMNM 03431
2. Name of Operator KERNS PETROLEUM, INC		6. If Indian, Allottee or Tribe Name
3a. Address 1777 NE LOOP 410 SAN ANTONIO, TX 78217	3b. Phone No. (include area code) 210-829-7881	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1874' FNL, 2086' FWL SEC 30, T-08-S, R-37-E, UNIT F		8. Well Name and No. LAS CRUCES 'B' #4
		9. API Well No. 30-041-00237
		10. Field and Pool, or Exploratory Area ALLISON UPPER PENN
		11. County or Parish, State ROOSEVELT CO, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input 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 checked="" 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 shall 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 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.)

10/20/09 MIRU, ND WH, NU BOP. RU WL - Run 5 1/2" gauge ring - Tag @ 8,040' on coil tbg. RD WL. RU for drillout.
 10/21/09 RU R/V unit. RIH w/ D.A. on 2 7/8" tbg - Tag @ 8,040'. Pump 300 bbl WI & did not load 5%. PUH. SDFD.
 10/22/09 Found fluid level @ 1,700'. RIH w/ tbg - Tag @ 8,040'. Drill down to 8,160'. PUH SDFD.
 10/23/09 Rig down, new drilling line. RIH, Tag @ 8,160'. Drill down to 8,200'.
 10/26/09 POOH, remove rock bit & run 4 1/2" mill on bottom. Tag @ 8,200'. Drill to 8,212'. SDFD.
 10/27/09 Mill from 8,212' to 8,228'. POOH w/ tbg & mill. SDFD.
 10/28/09 RIH w/ D.A. w/ new mill & tbg, get down to 8,309'. SDFD
 10/29/09 POOH w/ tbg & drill collars. Had coil tbg in shoe - 25' of various lengths. SD weather.
 10/30/09 RIH w/ overshot on drilling assembly to fish 1 1/2 coil tbg. SD high wind.
 11/2/09 Tag fish @ 8,312'. PU swivel, rotate down, work overshot, PU weight. POOH w/ tbg & fishing tool - no coil tbg in overshot.
 11/3/09 Meeting w/ BLM & Karl Vornsand (Kerns rep) to discuss well & fishing job - Procedure Change per BLM (Mayes, Glass, Fitzpatrick, & Eng. Steve) - Set PKR above fish @ 8,318' & sqz 100sx cmt. WOC-Tag. **Set 5 1/2 PKR @ 8,176', sqz 100sx 'H' cmt neat. WOC overnight.
 11/4/09 Well on vacuum, set 5 1/2" CIBP @ 8,200'. Circ 180 bbls gel water. Cap CIBP w/ 25sx 'H' cmt neat. PUH, spot 45sx 'H' cmt @ 7,069' - Displace. POOH tbg, lay down 2 7/8 tbg (190 jts) SDFD, WOC overnight.
 11/5/09 Con't lay down tbg (68 jts). Tag TOC @ 6,540' w/ WL. Perf @ 4,238'. Set 5 1/2" PKR, test perms, inj rate @ 1.5 bpm. Sqz 100sx cmt w/ 2% CaCl. WOC overnight.
 Continued on back

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

Name (Printed/Typed) LARRY WINN	Title P&A SUPERVISOR
Signature 	Date 11/17/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	DISTRICT 1 SUPERVISOR	Date DEC 08 2009
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.

11/6/09 Tag TOC @ 3,415', lay down tbg. ND BOP & WH. Pull stretch, no free pipe. Perf @ 2,260'. Test perfs to 800 psi, no rate. Spot 35sx cmt @ 3,610'. SD weekend.

11/9/09 Tag TOC @ 2,004' w/ tbg. Lay down 74 jts. Perf @ 445'. Test perfs. Mix & sqz 110 sx cmt. Circulate out 8 $\frac{5}{8}$ " & PKR on 4' sub. POOH w/ PKR. Top of 5 $\frac{1}{2}$ " w/ 2sx cmt. RDMO.



KERNS PETROLEUM, INC.

1777 NE Loop 410, Suite 930
San Antonio, TX 78217
(210) 829-7881
Fax (210) 829-7883

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November 25, 2009

Bureau of Land Management
Pecos District Office
2909 W. Second Street
Roswell, NM 88201-2019

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Ladies and Gentlemen:

Enclosed please find three originals of Form 3160-5 Sundry Notice Subsequent Report for plugging and abandonment of the Las Cruces B #4 well (API No. 30-041-00237), plugged by Basic Energy Services.

If you have any questions, please let us know.

Sincerely,

Kerry A. Johnston
Vice President

CC: NM OCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505

Enclosures