

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM 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

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator
Unit Petroleum Company

3a Address
PO Box 702500
Tulsa, OK 74170

3b. Phone No (include area code)
9184937700

4. Location of Well (Footage, Sec, T, R, M, or Survey Description)
3-24S-29E

UL 9 330' FSL + 330' FEL

5. Lease Serial No.
NM53373

6 If Indian, Allottee or Tribe Name

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

8. Well Name and No
HB 3 Federal 4H

9 API Well No.

30-015-38993

10 Field and Pool or Exploratory Area
Cedar Canyon

11. Country or Parish, State
Eddy, 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 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 checked="" type="checkbox"/> Other TD'd and plan for casing and cement
	<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	

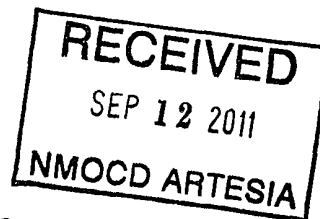
13 Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

UPC has reached a total depth of 11,520'. UPC will run 5.5", 17#, P-110 casing from surface to T.D. and cement using a two stage cement method. The first stage will be 660 sx of cement and raise cement above the curve to 6,000'. The second stage will be pumped through a DV-tool at 3,700' (9 5/8" intermediate set @ 3,023') and raise cement into 9 5/8" casing to 2,000'. (Halliburton proposals attached)

Accepted for record - NMOCD

DS 9-15-11

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



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

Title Engineer

Signature

Date 09/07/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Red m m

PETROLEUM ENGINEER

Title

Date

SEP 8 2011

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

BLM-CARLSBAD 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)

10



09/08/2011 05:44 AM

To

cc

bcc

Subject Emailing: HB 3 Federal 4H Sundry-Prod Csg.pdf

History: This message has been forwarded.

<<HB 3 Federal 4H Sundry-Prod Csg.pdf>>
Ted,

This sundry notice was overnighted to you last night. This is the well we had planned on running the swellable packers. We could not get the swellable packers below 4,100 and after pulling them back out of the hole they were no longer useable. I am now going back to the old school method of running casing to bottom and cementing. This plan is identical to the plan used and approved by the BLM on my last well, the HB 3 Federal #3H. I will bring cement above the curve above my lateral and then place a DV-tool below my Intermediate shoe and have cement lifted at least 500' up into the shoe. Please call with questions or concerns at 918-477-4510. I am also sending you a copy of my Halliburton proposal. Thanks

The message is ready to be sent with the following file or link attachments:

HB 3 Federal 4H Sundry-Prod Csg.pdf

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.



HB 3 Federal 4H Sundry-Prod Csg.pdf

Well and Notice Remarks

Doc. Number 11TMM0008S	Doc. Type DRG	Case Number NMNM53373	Type 312011	Name H B '3' FED
API 300153899300X1	Well Name H B 3 FEDERAL	Number 4H	Operator UNIT PETROLEUM COMPANY	

Doc. Number 11TMM0008S	Date 09/08/2011	Author TED MORGAN	Subject DRG	Category APPROVAL
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Category APPROVAL

Date 09/08/2011

UPC has reached a total depth of 11,520' MD and has attempted to run the swellable packer system for which the well was previously approved. However when running in the hole the packer system encountered an obstruction at 4100' and could not go deeper. The packer system was pulled out of the hole but the packers were no longer usable. Unit is now returning to the original well plan of running 5-1/2" 17# P-110 casing from surface to TD and at this time are on bottom with the casing and requesting oral approval to proceed. They will cement the casing using a two stage cement method. The first stage will be 660 sacks of cement and raise cement above the curve to 6000'. The second stage will be pumped through a DV tool at 3700' (9-5/8" intermediate set at 3023') and raise cement into the 9-5/8" casing to 2000'. The Unit Engineering Supervisor was advised that approval could not be given unless cement circulated off of the DV tool since the well is in the Secretary's Potash area and a continuous cement column is a requirement for those wells. Unit Representative advised he has sufficient cement on location to provide the required cement column and he would do so if that is what is needed, therefore cement will circulate off of the DV tool.

APPROVED - ORAL APPROVAL The design was reconfirmed by Unit to provide cement from the casing shoe to the DV tool and then from the DV tool to 500' above the previous shoe. Therefore Oral Approval was provided. TMM 09/08/2011