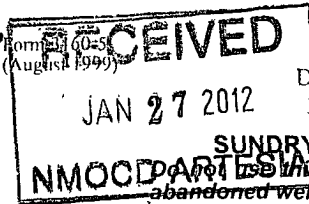


N.M. OIL CONSERVATION DIVISION

811 S. FIRST STREET

ARTESIA, NM 88204

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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
☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
 BHP Petroleum Americas Inc.

3a. Address
 1360 Post Oak Blvd. Suite 150 Houston TX. 77056

3b. Phone No. (include area code)
 (713) 961-8332

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 330' FNL & 990' FEL, NE1/4 NE 1/4 SEC. 8, T 11S, R 27E

5. Lease Serial No.
 NMNM-02146

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
 CONOCO "8" FEDERAL #1

9. API Well No.
 3000562674

10. Field and Pool, or Exploratory Area

11. County or Parish, State
 CHAVES

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 checked="" 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.)

Pit re-cap restoration activities were completed on November 16, 2011, all activity was restricted to the limits of the pit, the well site road and the area between the pit and well site road.

Based upon the findings of the preliminary excavation activities approximately eighteen inches of soil was removed from the entire area of the pit. This equates to about 900 cubic yards of materials being removed from the pit. The materials removed from the pit were transported to the Gandy Marley, Inc. Commercial Surface Waste Facility in Chaves County New Mexico. The pit contents removed include soil, thread protectors, plastic liner, and concrete rubble. All excavated soils were similar reddish brown, mostly fine grain and moist below about eighteen inches. There was no evidence of hydrocarbon staining in the excavation.

A 20 mil liner was then installed by sewing together three 60 feet by 100 feet rolls of liner materials. The liner was keyed in with a one foot deep trench along the edges of the pit to assure its placement. Approximately 24 inches of clean soil or (1,188 cubic yards) were placed on the liner to return the pit area to the adjacent grade. The clean soil placed in the pit area is conducive to promoting vegetative growth.

Per the request of the Rancher the caliche road that provided access to the pit area will not be removed. The pit area will be seeded with the proper seed mixture for that area, which is prescribed in the letter from BLM. This will be done in the Spring of 2012 at the beginning of the growing season. Attached pictures during the re-cap activities.

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

Fred Lowery

Title Operations Manager

JAN 23 2012

Signature

Fred Lowery

Date 11-29-11

NAME Fred Lowery
NATURAL RESOURCE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

SPECIALIST

Approved by

Title

Date

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.

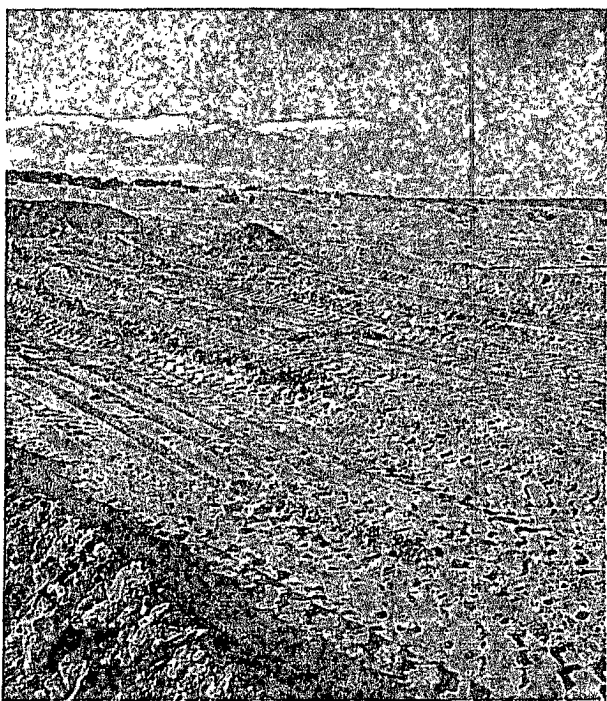
CONOCO #8 FEDERAL #1



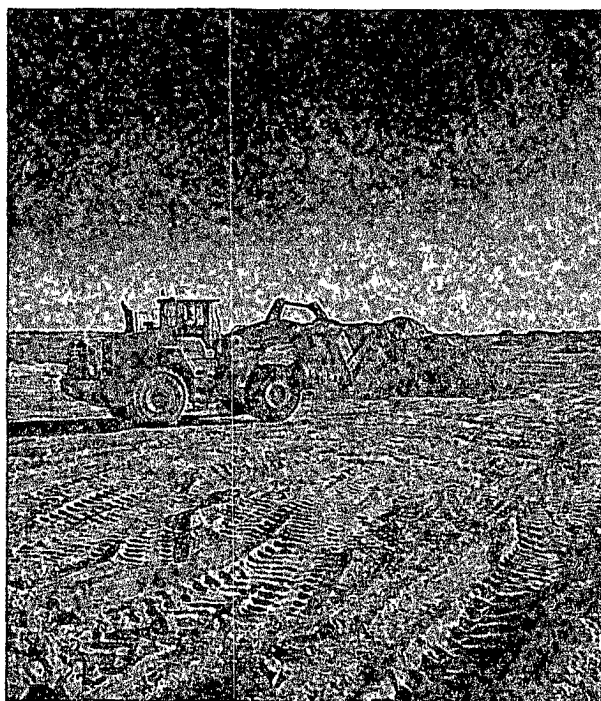
November 14, 2011 Initial Excavation Activities



November 14, 2011 Pit Excavation

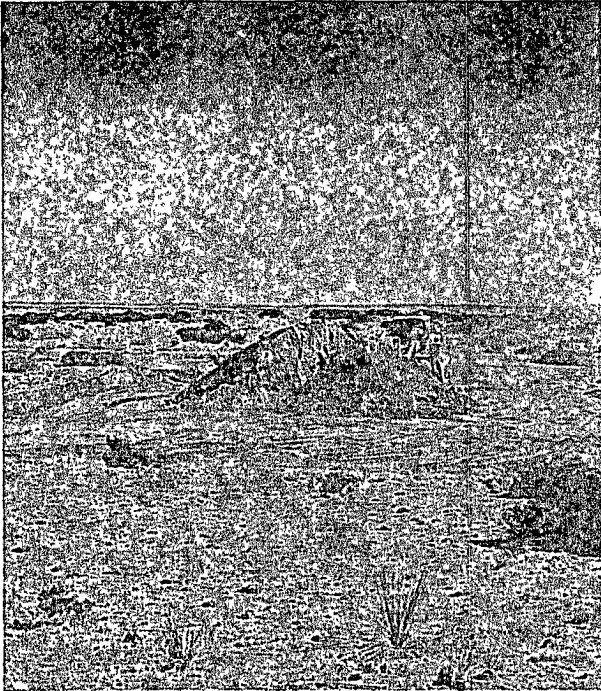


November 14, 2011 Pit Excavation

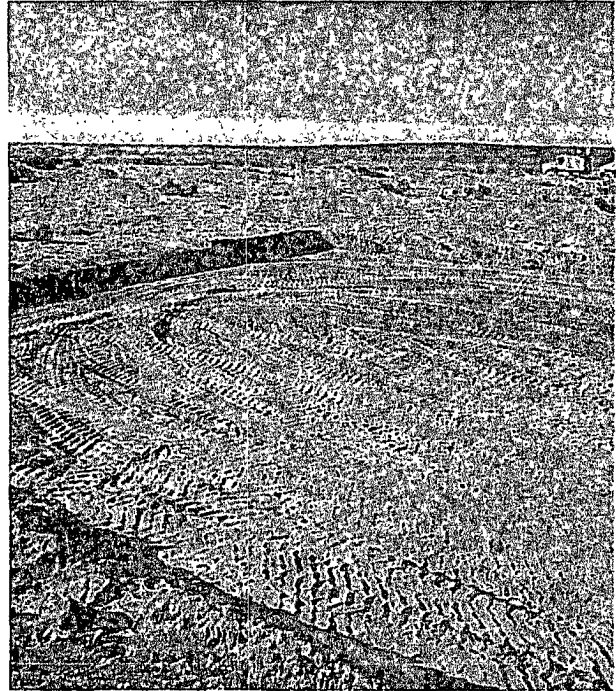


November 14, 2011 Pit Excavation

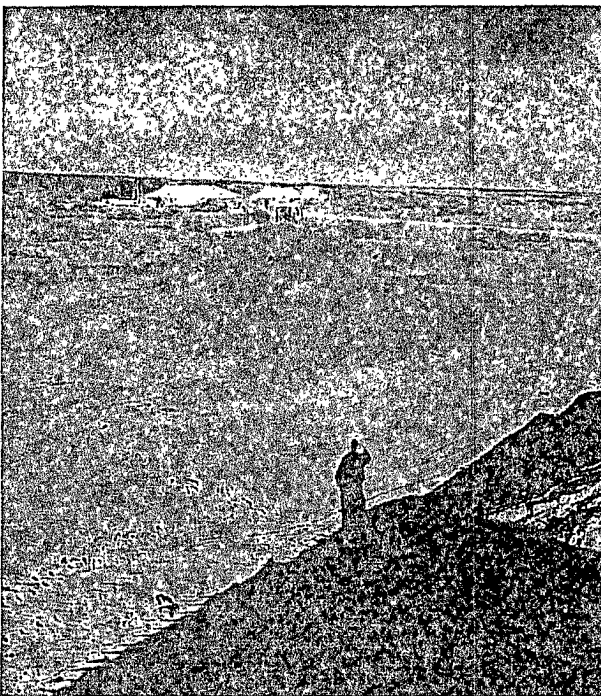
CONOCO #8 FEDERAL #1



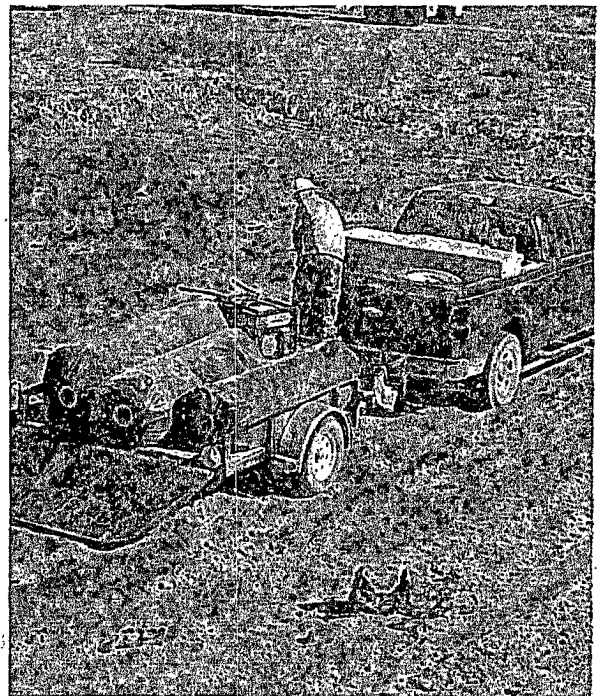
November 15, 2011 Pit Excavation



November 15, 2011 Pit Excavation

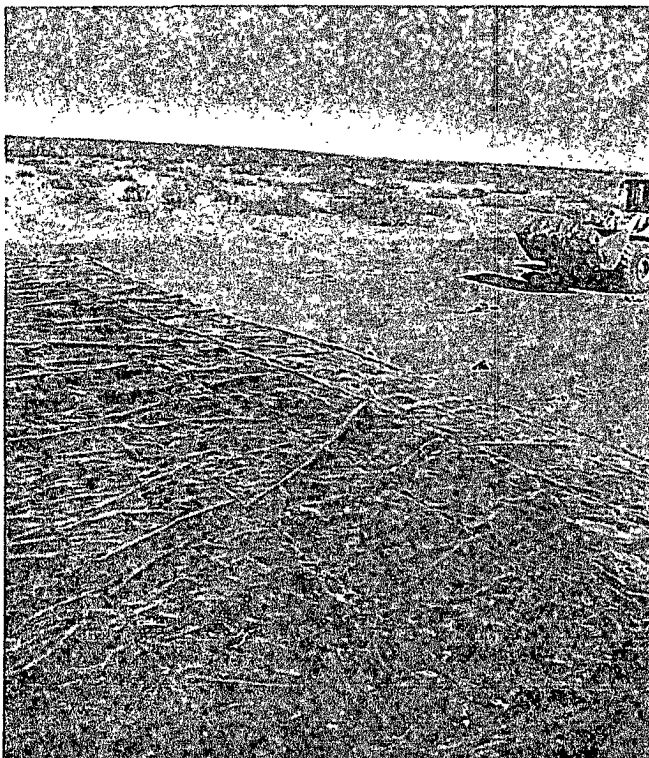


November 15, 2011 Pit Excavation

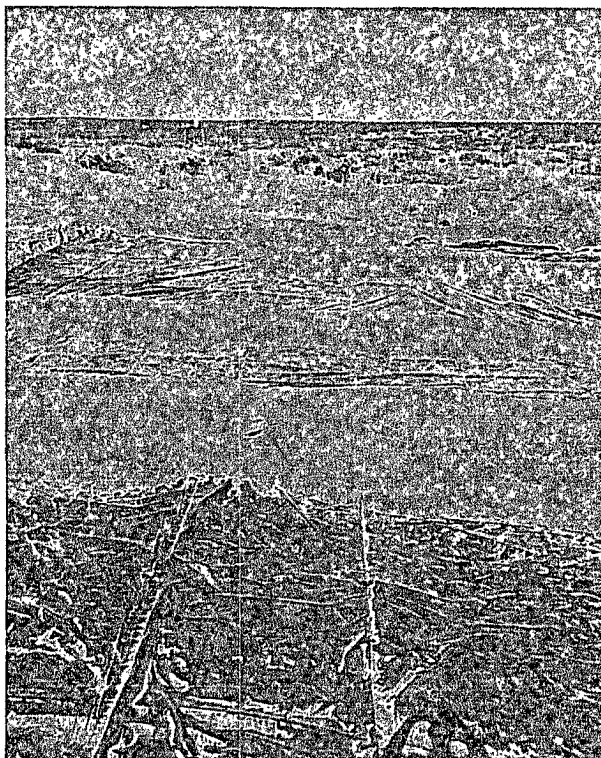


November 16, 2011 Preparing for Liner Installation

CONOCO #8 FEDERAL #1



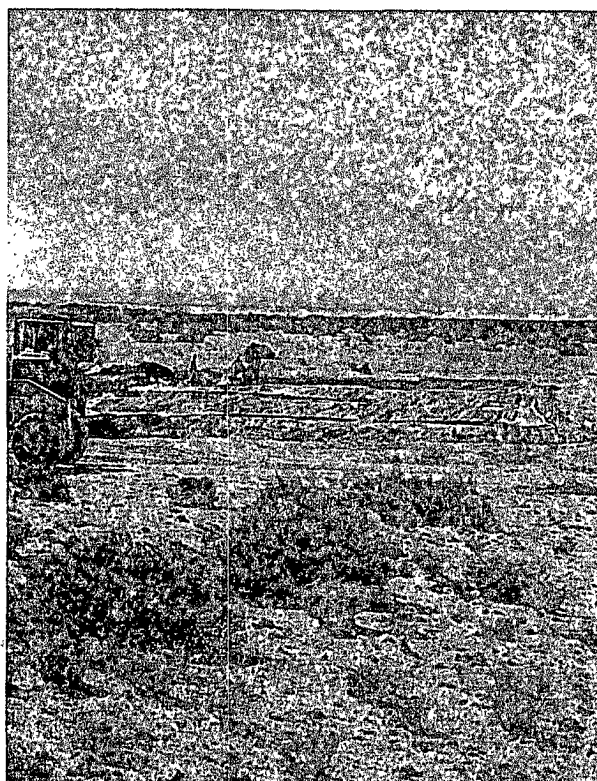
November 16, 2011 Liner Installation



November 16, 2011 Liner Installation



November 16, 2011 Liner Installation

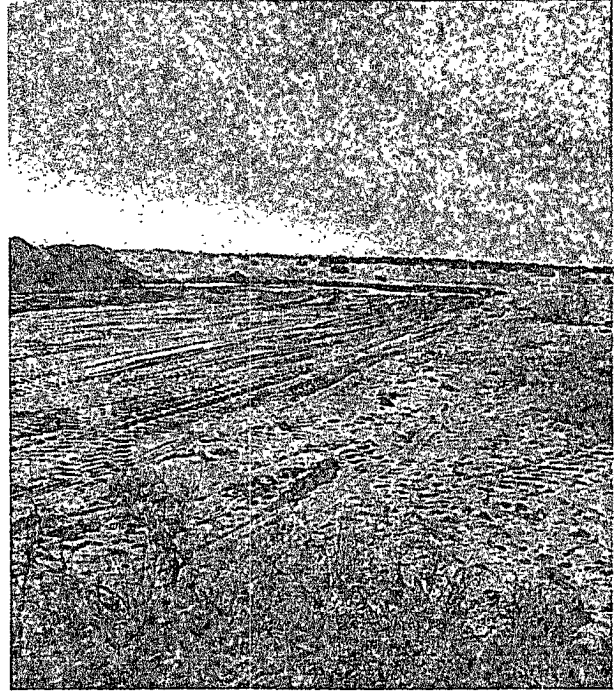


November 16, 2011 Liner Installation

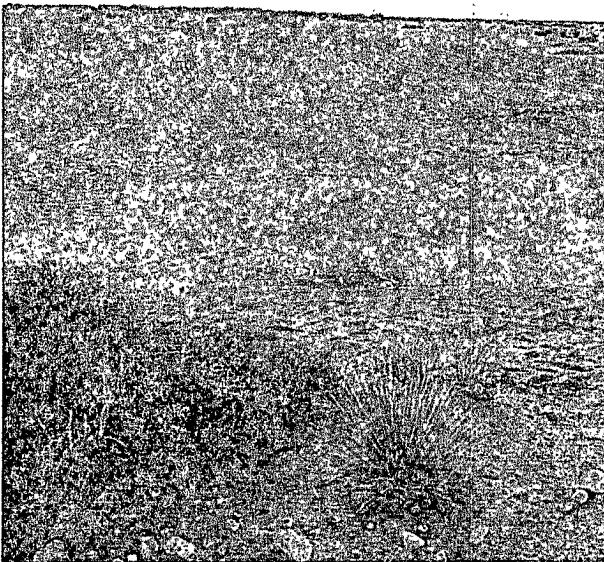
CONOCO #8 FEDERAL #1



November 16, 2011 Liner being covered with clean soil



November 16, 2011 Liner being covered with clean soil



November 16, 2011 Final Cap