Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED OMB No 1004-0137

MAY 09 2012 | 5 Lease Serial No.

Expires October 31, 2014

| | | | NMSF-080238A | | |
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| SUNDRY NO | OTICES AND REPORTS OF | eld Ot 64If Indian, Allotte | 64If Indian, Allottee or Tribe Name | | |
| | orm for proposals to drill o lse Form 3160-3 (APD) for | | Managemen. N/A | | |
| SUBMIT IN TRIPLICATE – Other instructions on page 2. | | | _ | 7 If Unit of CA/Agreement, Name and/or No. | |
| 1. Type of Well | | | N/A | | |
| Oil Well Gas Well Other | | | 8. Well Name and Morgan No. 7 | No. | |
| 2. Name of Operator D. J. Simmons, Inc. | | | 9. API Well No. 30-045-29972 | | |
| 3a. Address 3b. Phone No. (include area code) 1009 Ridgeway Place, Suite 200 (505) 326-3753 | | | | 10. Field and Pool or Exploratory Area WAW Fruitland Sand | |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) | | | | h, State | |
| Surface 1,585' FSL & 1,670' FEL, Section 31, T27N, R12W, NMPM | | | | , New Mexico | |
| 12. CHECK | K THE APPROPRIATE BOX(ES) TO | INDICATE NATURE OF | NOTICE, REPORT OR O | THER DATA | |
| TYPE OF SUBMISSION TYPE OF ACT | | | OF ACTION | | |
| Notice of Intent | | Deepen | Production (Start/Resume) | | |
| | | Fracture Treat | Reclamation | Well Integrity | |
| Subsequent Report | = :: = | New Construction | Recomplete | Other | |
| | | Plug and Abandon | Temporarily Abandon | | |
| Final Abandonment Notice | Convert to Injection | Plug Back | Water Disposal | | |
| following completion of the involve testing has been completed. Final Adetermined that the site is ready for Morgan No. 7 Subsequent Plug & Ab. • March 6, 2012: o Move in and Rig Up well service o Trip out of hole and lay down rod o Remove wellhead o Secure well with 4 ½" X 2" swage o Move rig out • March 15, 2012: o Rig up cementing company to we o Establish pump in rate of 2.6bpm o Mix 30sx lead cement with 2%Caup to 800psi. o Shut in with pressure overnight. 6 • April 25, 2012: o Tag cement at 50' with 1" polypip | Abandonment Notices must be filed only final inspection.) pandon Report: unit ls, pump and production tubing e and ball valve ell at 600psi aCl2, 1/4 /sx cellophane, 3 / sx gilson Cement fell to 50' | n a multiple completion or y after all requirements, in | recompletion in a new intercluding reclamation, have b | val, a Form 3160-4 must be filed once | |
| 14. I hereby certify that the foregoing is tr | ue and correct. Name (Printed/Typed) | | | | |
| Chris S. Lopez | | Title Regulatory S | Specialist | | |
| Signature Wis S. | COPEZ | Date 05/09/2012 | | | |
| | THIS SPACE FOR FE | EDERAL OR STAT | E OFFICE USE | AMELIE LOUGHOUN | |
| Approved by | | Title | | MAY 1 4 2012 | |
| Conditions of approval, if any, are attached that the applicant holds legal or equitable ti | | nt or certify | | PAPARAGION FIELD OFFICE | |
| entitle the applicant to conduct operations t | | | | Sh- | |

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

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

