

| Form 3160-5 (June 1990) | DEPARTMEN | TED STATES IT OF THE INTERIOR LAND MANAGEMENT | FORM AFPROVED Budget Bureau No. 1004-0133 Expires: March 31, 1983 3. Lases Dadgestion and Serial No. |
|--|--|--|---|
| Do not use this | s form for proposals to dr | AND REPORTS ON WELLS ill or to deepen or mentry id a different reserve R PERMIT—" for such proposels | - ** |
| | SUBMIT | IN TRIPLICATE | JICARILL a TRIBAL #69 7. If Unit or CA, Agreement Designation |
| I. Type of Well Well Well Name of Operator | reli Other | N. Well Name and No. | |
| 3TECE | NERGY CORPORA | Apache Federal #15 | |
| 700 Milan 4. Losseins of Well (R. 990 FN | or ST Suite 1100 bodings, Stc., T., B., M., or Survey Do L, 990 FWL (| Hous Ton, To 77002-2815 (7) 3821 | 10. Flatch and Posts, or Exploratory Area Balland PicTure Cliff 11. County or Parish, State |
| Section | 7-24N-5W A | Vmpm | Rip Aeriba Co NM |
| | | s) TO INDICATE NATURE OF NOTICE, RE | PORT, OR OTHER DATA |
| | OF SUBMISSION line of Intent | ION | |
| - | kin of Interest sequenti Report | Abendompest Recompletion Pleating Sects | Change of Plans New Construction |
| _ | al Abeadosmans Notice | Cooling Repuls Attenting Coaling Others | Water Start-Off Conversion to Injection Dispose Water |
| 13. Describe Proposed or give subsurface | r Completed Operations (Clearly stars at leastlone and measured and true vertices) | Il puttiners dotails, and give portinent dates, including estimated date of a sal doptes for all markers and zones purtirent to this work, is | (Note: Report results of multiple completion on West Completion or Accompletion Report and Leg terms untring any proposed work. If well is directionally drilled. |
| | | ENT- RU, NUBOP, PULL Thy. | |
| 12/04/01 Te | ST Thy, RUN Bak | KER RBP and Tension PKR | TesT RBP |
| 20 | cate Casing Leak | c. attempt to circulate to si | urface. |
| 12/05/01 Bu. | the mead or use | Packer, Cement To SurFace | - or Squeeze |
| 12/06/01 51 | D FOR COMENT. | is Coment, PER BJ Services Rec | ommendation. |
| 12/07/01 0 | PRILL OUT Cemen | IT, PRESSURE TEST Casing : | soots# Using |
| Æ | CLORACK, PULL | RBP, RETURN WELL TO PRODUCT | Tion, |
| Signed Steve | the foregoing is true and correct Wilson - 3 TEC ENER | ay Cost THE Operations Supervise | Date 11/30/01 |
| Approved by Conditions of approv | real, if any: | ти Осто С | Des 11/7/0/10/ |
| Tide 18 U.S.C. Section or representations as to a | (901, makes it a crime for any person My maker within its jurisdiction. | knowingly and willfully to make to any department or agency of the U | Inited States any false, fictitious or fraudulent statements |

BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandonment (see 43 CFR 3162.3-4). Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work can be submitted with a Sundry Notice. Questions? Call Pat Hester at (505) 761-8786.

- 1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location. Non-retrieved flowlines and pipelines will be abandoned in accordance with State Rule 714. Information supporting the non-retrieval will be included in the subsequent report or final abandonment Sundry Notice.
- 2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils can be remediated on-site according to these guidelines or disposed of in a an approved facility.
- 3. The well pad will be shaped to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped to a minimum of 12" in depth before reseeding.
- 4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to deter vehicle travel. Access will be ripped to a minimum of 12" in depth, water barred and reseeded. All erosion problems created by the development must be corrected prior to acceptance of release. Water bars should be spaced as shown below along the fall line of the slope:

| % Slope | Spacing Interval |
|------------------|------------------|
| Less than 20% | 200' |
| 2 to 5 % | 150' |
| 6 to 9 % | 100' |
| 10 to 15 % | 50' |
| Greater than 15% | 30' |

- 5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required). Seed mix must be certified weed free to avoid the introduction of noxious weeds. Refer to the original APD for seed mix.
- 6. Notify Surface Managing Agency seven (7) days prior to seeding so that they may be present to witness.
- 7. The period of liability under the bond of record will not be terminated until the well is inspected and the surface rehabilitation approved.

Other Surface Managing Agencies (SMA's) may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us.

On private land, a letter from the fee owner stating that the surface restoration is satisfactory will be provided to the office. Questions? Call Pat Hester at (505) 761-8786.

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT Albuquerque Field Office 435 Montano N.E. Albuquerque, New Mexico 87107

Company 3 Tec Energy Corporation (aka Floyd Oil Company)

Well No. Apache Federal # 15

Location 990' FNL & 990' FWL Sec. 7, T24N, R5W, NMPM

Lease No. Jicarilla Contract 69

Government Contacts:

Bureau of Land Management, Albuquerque Field Office Office 505.761.8700

Petroleum Engineer:

Steve Anderson, Assistant Field Manager 505.761.8982

Brian W. Davis 505.761.8756, Home 505.323-8698, Pager 505.381.0346, Cell 505.249.7922,

Petroleum Engineering Technician: Bryce Hammon, Office 505.759.1823, x-31, Cell 505.320.9741

BLM Geology / Environmental Contact: Patricia M. H

Patricia M. Hester 505.761.8786

GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS FEDERAL & INDIAN LEASES

- 1. Plugging operations authorized are subject to the "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
- 2. For wells on Indian leases, Bryce Hammond with the Jicarilla Nation Tribal Oil and Gas Office is to be notified at least 24 hours (48 hours if possible) before the plugging operations commence. His phone number is (505) 759-1823, x-31 office, (505) 320-9741 cell. Office hours are 7:45 a.m. to 4:30 p.m.
- 3. Blowout prevention equipment is required.
- 4. The following modifications to your plugging program are to be made : N/A

WELLBORE SCHEMATIC

Well Name: Field:

Reservoir:

KB: 6546' GL: 6535' APACHE FEDERAL #15

County: RIO ARRIBA

Location: S7-T24N-R5W

Drilling Summary:

API # 30-039-60125

8-5/8" 24# @ 216' CMT'D W/250 SX.

2-3/8" TBG. @ 2340'

PROD. PERFS:

2272-90'

2316-26'

2334-40'

D.V. TOOL @ 2480' CMT'D W/ 150 SX.

CMT. RET. @ 3705'

PERF: 3860' CMT'D W/40 SX.

CSG. LEAK @ 4101-215' SQZ'D W/500 SX, OUT

CMT. RET. @ 4409'

PERF: 4538' CMT'D W/40 SX.

CSG. LEAK @ 5253-82' SQZ'D W/ 38 SX. OUT

30 SK. PLUG 5379-5767'

CIBP @ 6619' W/25 SX. ON TOP

6678-6700

PROD. PERFS:

6705-35

6744-48

PBTD @ 6818'

4-1/2" 11.6# @ 6878' CMT'D W/397 SX.

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