

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCD Artesia
AUG 29 2012

FORM APPROVED
OMB No 1004-0137
Expires October 31, 2014

SUNDRY NOTICES AND REPORTS ON NMOSD ARTESIA
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5 Lease Serial No
NMNM 90514
6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2

1 Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator
Snow Oil & Gas Inc

3a Address
P.O. Box 1277
Andrews, TX 79714

3b Phone No (include area code)
432-524-2371

4 Location of Well (Footage, Sec., T, R, M or Survey Description)
1980' FNL & 990' FWL
Section 4, T24S-26E

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

8 Well Name and No.
Aspen Federal 1

9 API Well No
30-015-21605

10 Field and Pool or Exploratory Area
Carlsbad, Morrow, South (Gas)

11 County or Parish, State
Eddy County, NM

12. CHECK THE 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 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.)

Pursuant to Notice of Written Order dated 07/09/2012, the subject well is capable of producing in paying quantities.

The following information provided is for the months of November 2011-April 2012.

Subject well produced 634 mcf with an average sales price of \$2.61 per mcf. Using a 75% NRI on a 8/8ths basis, net revenue was \$1155.00 after taxes, deductions, and payment to royalty interest owners. Therefore, the net profit calculates to be \$222.00 after subtracting operating costs of \$933.00.

See Attached - Reject
By E. G. Fernandez
BLM PETROLEUM ENGINEER
Accepted for record
NMOSD ADade 8/29/12

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

Joe Lindemood

Title Agent

Signature

Joe Lindemood

Date 08/17/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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.

(Instructions on page 2)

Snow Oil and Gas
NMNM90514
Aspen Federal #1
30-015-21605
Morrow gas well

Submitting sundry is without sufficient supporting documentation is unacceptable.
A sundry is not necessary to respond to a written order.

This office requires a 12 to 15 months Lease Operating Statement (LOE).

Your LOE summary needs to include the following:

1. Gross gas production by month supported by gas purchaser statements showing BTU content of gas.
2. Water produce by month if any
3. Gross revenue received by month again supported by gas purchaser statements.
4. Severance Tax
5. Royalty
6. Lease operation cost
7. Compressor maintenance and or rental cost
8. Gathering and Dehydration cost
9. Separator maintenance cost
10. Salt water disposal cost
11. Lease operators/pumper reports for check meters on location the last 12 months

If cost and revenue is being allocated to two wells on the lease NM90514 then we need to see a LOE for each well. An update facility diagram may also be necessary.

EGF 082812