

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB NO. 1004-0135
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 reverse side.

5. Lease Serial No.
NMNM59385

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
H.B. 3 FEDERAL 1

9. API Well No.
30-015-25766

10. Field and Pool, or Exploratory
CEDAR CANYON-BONE SPRING

11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
UNIT PETROLEUM COMPANY
Contact: CHERYL A KNIGHT
E-Mail: cheryl.knight@unitcorp.com

3a. Address
8200 SOUTH UNIT DRIVE
TULSA, OK 74132

3b. Phone No. (include area code)
Ph: 918-477-5744
Fx: 918-493-7711

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 3 T24S R29E 1980FSL 1980FEL

12. CHECK 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 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 checked="" 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 recompleate 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 recompleation 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.)

Anticipated Start Date 9/15/2016

1. Pull test anchors and MIRU well service unit.
2. Clean up around wellhead.
3. NU BOP W/2 7/8" pipe rams, POOH W/tbg. and rods.
4. TIH W/7" RBP and packer.
5. SET RBP at 5,500', test at 500 psi and spot sand on RBP.
6. Move packer up the hole +/- 500' at a time and test casing. Last report stated casing leak at 3,399'-3,463'. Isolate casing leak.
7. If leak detected, set test packer and need to get injection rate.
8. MIRU cement trust, pump sufficient amount to repair lease. WOC.
9. PU BHA, TIH tag cement PU power swivel, drill out squeeze and POOH W/drill out equipment.
10. Release all rental equipment and TIH W/tbg, rods and pump.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**NM OIL CONSERVATION
ARTESIA DISTRICT**

OCT 19 2016

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #349490 verified by the BLM Well Information System
For UNIT PETROLEUM COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 08/31/2016 ()**

Name (Printed/Typed) BRENT A KEYS Title ENGINEER

Signature (Electronic Submission) Date 08/30/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE 988 26 /2016

Approved By _____ Title _____

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #349490 that would not fit on the form

32. Additional remarks, continued

11. Clean location and return well to production.

H.B. 3 Federal 1
30-015-25766
Unit Petroleum Company
September 26, 2016
Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by December 26, 2016.

- 1. CIT is to be performed on the production casing according to Onshore Oil and Gas Order No. 2, III.B.1.h. Submit results to BLM. Notify BLM if test fails.**
- 2. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.**
- 3. Surface disturbance beyond the originally approved pad must have prior approval.**
- 4. Closed loop system required.**
- 5. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.**
- 6. Operator to have H2S monitoring equipment on location.**
- 7. A minimum of a 5000 (5M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (5M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**

JAM 092616