

OCD-ARTESIA

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007

AUG 13 2007

OCD-ARTESIA 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 ☐ Other2. Name of Operator **HansonEnergy**3a. Address
P.O. Box 1348 Artesia 882113b. Phone No. (include area code)
505-746-22624. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NENW / NWSE Sec.10-17S-28E

5. Lease Serial No.

NM-59035

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Red Lake #1

9. API Well No.

30-015-26176

10. Field and Pool, or Exploratory Area

RI,Qn,GB,SA

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☒ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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.)

Water production is approx. 2bbl per day. Water is stored on location in a 100bbl fiberglass tank with net covering. Water is transported by I&W to Solt SWD-130 located in NW/4 SW4 Sec.5-18S-28E Eddy County.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

ACCEPTED FOR RECORD

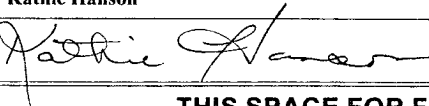
AUG 13 2007

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

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

Kathie HansonTitle **Production Clerk**

Signature



Date

8/2/07

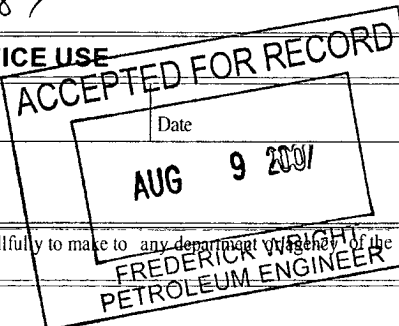
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

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)

SUNDRY NOTICE SPECIAL STIPULATIONS

1. **Approval is granted for the water disposal method presented in the sundry subject to the following conditions:**
2. The operator must provide a water analysis of the produced water together with a copy of the disposal permit granted to the company disposing of the water.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 8/9/07
