

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
OMB No. 1010-0149
Expires July 31, 1996
N.M. Oil Conservation Division
311 S. 1st Street
Artesia, NM 88220-2834

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	6. If Indian, Allottee or Tribe Name
2. Name of Operator McKay Oil Corporation	7. If Unit or CA/Agreement, Name and/or No. 26903
3a. Address P.O. Box 2014, Roswell, NM 88202	8. Well Name and No. Cactus "B" Federal #4
3b. Phone No. (include area code) 505-623-4735	9. API Well No. 30-005-63310
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 941' FSL and 823' FEL, Sec. 34, T6S, R22E, N.M.P.M.	10. Field and Pool, or Exploratory Area W. Pecos Slope Abo
	11. County or Parish, State Chaves, US

12. CHECK 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 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 checked="" 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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. 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 recompletion 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.)

McKay Oil Corporation plans to drill this well using air as the circulation medium. We request approval to discharge the cuttings from the wellbore into the existing reserve pit. The pit will be lined with plastic and the cuttings and plastic will be removed from the location as soon as practical after drilling operations have been completed.

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

Bill J. Milstead

Signature

Bill J. Milstead

Title

Vice President

Date

2/12/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Richard Hall

Title

EPS

Date

2/24/01

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

RECEIVED

FEB 12 2001

BLM
ROSWELL, NM