Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM APPRO | VEL |
|-----------------|------|
| OMB No. 1004 | -013 |
| Eumanaa Laba 21 | 201 |

5 Lease Serial No. NMSF 080238A

6. If Indian, Allottee or Tribe Name

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

| abandoned well. Use Form 3160-3 (A | (PD) for suc | ch proposals. | | | | |
|--|----------------------|-------------------------------------|--------------------------------|--|--|--|
| SUBMIT IN TRIPLICATE – Other instructions on page 2. | | 7. If Unit of CA/Agree | ment, Name and/or No. | | | |
| 1. Type of Well | | | | | | |
| Oil Well Gas Well Other | | | | 8. Well Name and No. Morgan #7 | • | |
| 2. Name of Operator D. J. Simmons, Inc. | | | 9 API Well No. 30-045-29972 | | | |
| 3a. Address 3b. Phone No. | | (ınclude area code) |) | 10. Field and Pool or Exploratory Area | | |
| 1009 Ridgeway Place, Suite 200 Farmington, NM 87401 (505) 326-37 | | 53 | | WAW Fruitland Sand | | |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) | | 11. Country or Parish, State | | | | |
| Surface 1585' FSL & 1670' FEL, Section 31, , T-27-N, R-12-W, NMPM | | San Juan County, New Mexico | | | | |
| 12. CHECK THE APPROPRIATE BO | OX(ES) TO INDI | ICATE NATURE C | OF NOTIC | E, REPORT OR OTHE | ER DATA | |
| TYPE OF SUBMISSION | TYPE OF ACT | | | ION | | |
| ✓ Notice of Intent | Deepe | en [.] | Produ | iction (Start/Resume) | Water Shut-Off | |
| Alter Casing | · Fractu | ire Treat | Recla | mation | Well Integrity | |
| Subsequent Report Casing Repair | New (| Construction | Reco | mplete | Other | |
| Change Plans | 🔽 Plug a | and Abandon | ☐ Temp | orarily Abandon | | |
| Final Abandonment Notice Convert to Injection | Plug I | Back | ☐ Wate | r Disposal | · | |
| following completion of the involved operations. If the operations testing has been completed. Final Abandonment Notices must determined that the site is ready for final inspection.) Notice of Intent to Plug and Abandon subject well: • Move in and Rig Up well service unit • Kill well as necessary with viscous fluid | be filed only afte | er all requirements, Notify prior | | reclamation, have been | | |
| Trip out of hole and lay down rods, pump and production Remove wellhead Secure well with 4 ½" X 2" swage and ball valve | tubing | | | | OIL CONS. DIV. | |
| Move rig out Rig up cementing company to well Mix 30sx lead cement with 2%CaCl2, ¼#/sx celloph into perforations over 1188'-1198' Do not displace cement Wash up equipment to water tank with 25# sugar activate overnight If cement is not at surface, tag and top with neat cement Dig out, cut off, install marker, remediate location as indicented. | dded as necessary | | followed i | by 70sx cement with 2 | DIST. 3 2%CaCl2 at 4bpm | |
| Please approve the above plan for execution in the next 180 of the control of the | days. | | | | | |
| 14 I hereby certify that the foregoing is true and correct. Name (Printe | ed/Typed) | | | | | |
| Chris S. Lopez | | Title Regulatory | y Speciali | st | | |
| Signature CHRIS COPOZ | | Date 11/15/201 | 1 | | | |
| THIS SPACE | FOR FEDE | RAL OR STA | TE OF | ICE USE | | |
| Approved by | | | | | NOV 2 2 2011 | |
| Original Signed: Stephen Masor | 1 | Title | | | Date | |
| Conditions of approval, if any, are attached. Approval of this notice doe that the applicant holds legal or equitable title to those rights in the subjectitle the applicant to conduct operations thereon | | | | | | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it | a crime for any ne | erson knowingly and | l willfully t | o make to any departmen | nt or agency of the United States any fals | |

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seg., 351 et seg., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and grantingapproval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases

Response to this request is mandatory.

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The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240



