

OCT 31 2011

FORM APPROVED Form 3160-5 UNITED STATES (August 2007) DEPARTMENT OF THE INTERIOR Farmington Field Of Ico OMB No 1004-0137 Expires: July 31, 2010 5. Lease Serial No. NMNM 116554 BUREAU OF LAND MANAGEMEN Bureau of Land Manag **SUNDRY NOTICES AND REPORTS ON WELLS** 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No. Oil Well Gas Well Other Nutrius Prospect #1 2. Name of Operator Blue Dolphin Production LLC 9, API We<sup>II</sup> No. 30-039-: -31018 10. Field and Pool or Exploratory Area 3a. Address 3b. Phone No. (include area code) C/O Walsh Engineering & Production Company 7415 E Main Street, Farmington, NM 87402 Wildcat Entrada 505-327-4892 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State Rio Arriba County, New Mexico 500' FNL X 335' FEL Section 35, T27N-R2E Unit A 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation New Construction Casing Repair Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 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 recompletion 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.) Run in hole with drill pipe to 2838'. Plug well by pumping 615 sxs class III (1.37 cuft/sx yield, 14.6 ppg) 150 bbls slurry tag cement at 517'. Pump another 164 sxs class III (1.37 cuft/sxs yield, 14.6 ppg). 40 bbls slurry, top of surface casing with 17 sxs class III cement (1.37 cuft/sxs yield, 14.6 ppg) 5 bbls slurry at surface. welded on dry hole marker, total of 796 sxs of cement and wellbore has cement from surface to 2,838'. RCVD HOV 23'11 OIL CONS. DIV. DIST. 3 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Jason Goss Title Engineer Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Original Signed: Stephen Mason NOV 1 6 2011

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.

entitle the applicant to conduct operations thereon

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