

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

RECEIVED

SUBMIT IN TRIPLICATE

070 FARMINGTON NM

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM 053798
2. Name of Operator Anderson Oil Ltd.	6. Indian, Allotted or Tribe Name
3. Address and Telephone No. c/o Dugan Production Corp., P. O. Box 420, Farmington, NM 87499-0420	7. If Unit or CA, Agreement Designation
Location of Well (Footage, Sec., T., R., M., or Survey Description) 1190' FSL & 714' FWL (SW/4 SW/4) Unit M, Sec. 30, T31N, R13W, NMPM	8. Well Name and No. Federal #3
	9. API Well No. 30 045 23620
	10. Field and Pool, or Exploratory Area Basin Dakota
	11. County or Parish, State San Juan, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other	<input type="checkbox"/> Dispose Water
	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

On 6/17/05, Blagg Engineering tested 15' x 15' x 3' unlined earthen tank drain pit (center located 96' N 31° W of wellhead). Used hand auger to collect soil sample at depth of 6' from pit center and four corners. Field headspace tests ranged from 0 to 5.5 ppm. Envirotech lab test of soil sample from pit center @ 6' had TPH=0.1 mg/kg. Covered pit using dirt from location.

On 6/22/05, Blagg Engineering excavated a 12' x 12' x 3' unlined earthen pit (center @ 27' S. 29° E of wellhead) to 16.5'. Had black hydrocarbon staining from ±4' to 16' and gray staining from 16' to 16.5'. Encountered sandstone bedrock at 16.5'. No free hydrocarbons detected. Field headspace tests: pit center @ 16.5'=59 ppm; west side wall @ 10'=268 ppm; east side wall @ 10'=234 ppm. Envirotech lab tests: soil from pit center @ 16.5'-TPH=none detected; soil from west sidewall @ 10'-TPH=827 mg/kg & BTEX=16,370 ug/kg. Pit excavation filled in using clean soil from location. Hydrocarbon contaminated soil landfarmed on location approximately 100' to east of wellhead and spread 6-8" thick over 150' x 30' area. Landfarm area bermed to control water run-off and will be periodically rototilled to promote remediation. Installed new 45 bbl subgrade steel tank for produced water approximately 15' west of wellhead. Tank placed upon 22 mill liner and gravel with sides left open for leak detection. Tank has expanded metal cover. Pit closure completed and landfarm started 6/24/05.

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

Signed	<u>John D. Roe</u>	Title	Agent	Date	06/28/2005
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(This space for Federal or State office use)

Approved by	<u>Ray Sanchez</u>	Title	EP/ROW	Date	6/30/05
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Conditions of approval, if any: