

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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 ☐ Other

2. Name of Operator

BC & D OPERATING, INC.

3a. Address **3001 KNOX ST., STE 403
DALLAS, TX 75205**

3b. Phone No. (include area code)
(405) 366-7200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660'S & 1980'W, SEC. 6, T17N, R8W

5. Lease Serial No.

NMNM 052931

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

HANSON #3

9. API Well No.

30 - 031 - 05528

10. Field and Pool, or Exploratory Area

HOSPAN LOWER SAND, SOUTH

11. County or Parish, State

MCKINLEY COUNTY, NEW MEXICO

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 prove 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 recompleat 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.)

AS PER NM OIL CONSERVATION DIVISION INACTIVE WELL LIST & BLM TITLE 43 CFR SECTION 3162.3-4

BLM APPROVAL IS SOUGHT FOR PROPOSED PLAN OF ACTION REGARDING OUR ATTEMPT FOR COMPLIANCY ON THIS & 18 OTHER B C & D INACTIVE FEDERAL OR INDIAN WELLS.

BEGINNING FEBRUARY 2006, WE PROPOSE TO EVALUATE AN AVERAGE OF EIGHT (8) WELLS PER MONTH BY EITHER:

- a) restoring to a useful function
- b) temporarily abandon
- c) plug and abandon

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

GAYE HEARD

Title

AGENT

Signature

Date

11/17/05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Original Signed: Stephen Mason

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

Date

DEC 12 2005

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)

NMOCD