

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

5. Lease Serial No.
NMNM053798

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FEDERAL 3

9. API Well No.
30-045-23620-00-S1

10. Field and Pool, or Exploratory
BASIN DAKOTA

11. County or Parish, and State
SAN JUAN COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
ANDERSON OIL LIMITED
Contact: ALIPH REENA
E-Mail: aliph.reena@duganproduction.com

3a. Address
5005 WOODWAY DR SUITE 300
HOUSTON, TX 77056
3b. Phone No. (include area code)
Ph: 505-325-1821

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 30 T31N R13W SWSW 1190FSL 0714FWL
36.866867 N Lat, 108.247772 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 zones. 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.)

Plan to plug and abandon the well as per the following procedure.

- 1) Tag CR @ 6215'.
- 2) Spot plug above retainer from 6076' to 6215' w/15 sks (17.7 cu ft) Class B cement w/2% CaCl₂ (Dakota Plug I: 6076'-6215').
- 3) Spot plug inside 4-1/2" casing from 5312' to 5412' w/12 sks (14.2 cu ft) Class B cement w/2% CaCl₂ (Gallup, Plug II: 5312'-5412').
- 4) Spot plug inside 4-1/2" casing from 4330' to 4430' w/12 sks (14.2 cu ft) Class B cement w/2% CaCl₂ (Mancos, Plug III: 4330'-4430').
- 5) Spot plug inside 4-1/2" casing from 3166' to 3266' w/12 sks (14.2 cu ft) Class B cement w/2% CaCl₂ (Mesaverde, Plug IV: 3166'-3266').
- 6) Spot plug inside 4-1/2" casing from 2340' to 2440' w/12 sks (14.2 cu ft) Class B cement w/2% CaCl₂ (Chacra, Plug V: 2340'-2440').

Notify NMOCD 24 hrs prior to beginning operations

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

OIL CONS. DIV DIST. 3

SEP 12 2016

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Electronic Submission #349883 verified by the BLM Well Information System For ANDERSON OIL LIMITED, sent to the Farmington Committed to AFSS for processing by ABDELGADIR ELMADANI on 09/08/2016 (16AE0489SE)

Name (Printed/Typed) ALIPH REENA

Title AGENT, ENGINEERING SUPERVISOR

Signature (Electronic Submission)

Date 09/01/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ABDELGADIR ELMANDANI

Title PETROLEUM ENGINEER

Date 09/08/2016

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 Farmington

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD *AV*

Additional data for EC transaction #349883 that would not fit on the form

32. Additional remarks, continued

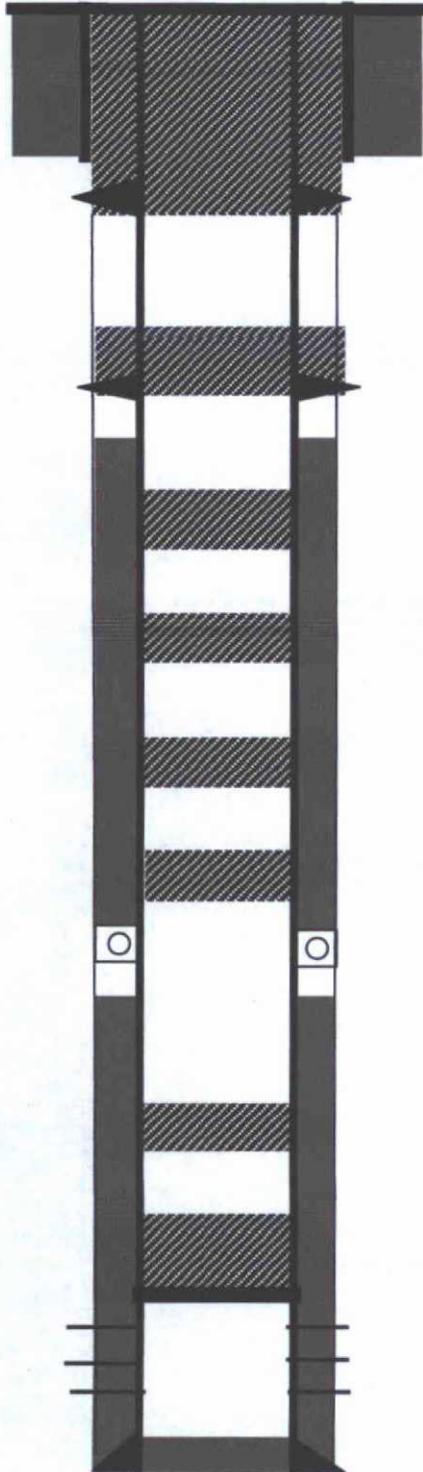
- 7) Spot plug inside 4-1/2' casing from 1536' to 1636' w/12 sks (14.2 cu ft) Class B cement w/2% CaCl₂ (PC, Plug VI: 1536'-1636').
- 8) Perforate at 1010'. Set CR @ 960'. Spot and squeeze inside/outside plug from 910' to 1010' w/50 sks (59 cu ft) Class B cement w/2% CaCl₂ (Fruitland, Plug VII: 910'-1010').
- 9) Perforate @ 270'. Establish circulation to surface. Circulate cement to surface from 270' to surface w/81 sks (95.6 cu ft) Class B cement (surface-PC, Plug VII: 0-270').
- 10) Tag TOC at surface. Fill cement in case needed. Cut wellhead.
- 11) Install dry hole marker. Clean location.

ON FEDERAL AND INDIAN LANDS
AUTHORIZATION REQUIRED FOR OPERATIONS
OPERATOR FROM OBTAINING ANY OTHER
ACTION DOES NOT RELIEVE THE LESSEE AND
BIA'S APPROVAL OR ACCEPTANCE OF THIS

CONDITIONS OF APPROVAL
LET REMOVED FOR

INWOOD

Federal # 3
Planned P & A Schematic
 Basin Dakota
 30-045-23620
 1190' FSL & 714' FWL,
 S30 T31N R13W



8 5/8" J-55 24# casing @ 220'. Cemented with 75 sks Class B w/ 2% CaCl₂. Circulated cement to surface

Perforate @ 270'. Circulate cement to surface w/ 81 sks Class B neat (95.6 cu.ft) (Surface -270'). [Surface]

Inside/outside plug w/ 50 sks Class B (59 cu.ft) @ 910'-1010' [Plug VII-Fruitland]

Inside plug w/ 12 sks Class B (14.2 cu.ft) @ 1536'-1636' [Plug VI- PC]

Inside plug w/ 12 sks Class B (14.2 cu.ft) @ 2340'-2440' [Plug V- Chacra]

Inside plug w/ 12 sks Class B (14.2 cu.ft) @ 3166'-3266' [Plug IV: Mesaverde]

Inside plug w/ 12 sks Class B (14.2 cu.ft) @ 4330'-4430' (14.2 cu.ft).[Plug III, Mancos].

Cemented w/ 200 sks Class B w/ 8% gel followed by 125 sks Class B for stage I, total slurry 502 cu.ft. 400 sks 65-35 poz plus 12% gel and 100 sks Class B w 4 % gel. Total slurry 1203 cu.ft. DV tool at 4406. CBL tops approx 1350' & 5150'

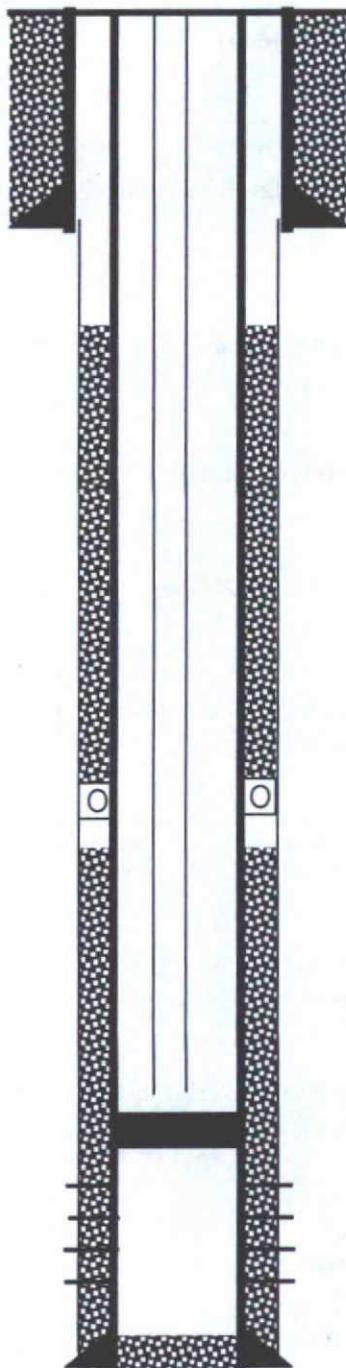
Inside plug w/ 12 sks Class B (14.2 cu.ft) @ 5312'-5412' (14.2 cu.ft).[Plug II, Gallup].

CR @ 6215' Inside Plug with 15 sks (17.7 cu.ft) Class B (Plug I: 6076'-6215'. Dakota)

Dakota Perforated @ 6252'-6416'

4 1/2" 10.5# casing @ 6484'

Federal # 3
Current Wellbore Schematic
Basin Dakota
30-045-23620
1190' FSL & 714' FWL,
S30 T31N R13W



8 5/8" J-55 24# casing @ 220 KB'.
Circulated Cement. Hole size 12 1/4"

4 1/2" 10.5 # 8R ST&C J-55 casing @ 6484'.
Hole size 7-7/8"

Approx Top of cements from CBL. Stage I: 1350',
Stage II: 5150'

4 1/2" Cement Retainer set @ 6215'

Dakota Perfs @ 6252'-6416'

PBTD @ 6446'

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Federal #3

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Set plug #6 (1180-1280) ft inside/outside to cover Fruitland Formation top. BLM picks top of Fruitland at 1230ft. Adjust cement volume accordingly.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.