

Form 3160-5
(November 1983)
(Formerly 9-331)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on re-
verse side)

Form approved
Budget Bureau No. 1004-0135
Expires August 31, 1985

6. LEASE REGISTRATION AND SERIAL NO.

NM-012833

6. IF INDIAN, ALLOTMENT OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Puerto Chiquito

Greely IR

1930

19. COUNTY OF NEW MEXICO

Sec. 26T26N11E10M

10. COUNTY OF NEW MEXICO

Sec. 26T26N11E10M

19. COUNTY OF NEW MEXICO

Sec. 26T26N11E10M

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Sec. 26T26N11E10M

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals.)

OIL ☒ GAS ☐ OTHER ☐

OPERATOR
Sagebrush Oil, Inc

314 North Drive Socorro, NM 87801

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
Use space 17 below.)

Unit Letter M 710 FSL 660FWL SW/4 SW/4

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, WT, OR, etc.)

7345 Ground

19. COUNTY OF NEW MEXICO

Sec. 26T26N11E10M

19. COUNTY OF NEW MEXICO

Sec. 26T26N11E10M

ature of Notice, Report, or Other Data

SUBSEQUENT REPORT OF:

TEST WAT

FRACURE

SHOOT OR

REPAIR WELL

(Other) Repair or Abandon

WATER SHUT-OFF

FRACURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT

(NOTE: Report results of multiple completion or Well Completion or Recompletion Report and Log form.)

16. PURPOSE 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 upper part of the well.)

Sagebrush as Operator states and proposes the following:

1. This well has had a pump jack and engine on it for 2 weeks in which time it did produce and because of a pending lawsuit CV- 94-81, Sagebrush Oil has not had the opportunity to produce the well.

2. There exists a Stipulated Judgment, dated April 7, 1992, between the Department of Interior and Hebeo Oil Company, wherein it is agreed that the Secretary agrees to look to Hebeo Oil Company for all liability and requirements with respect to lease NM-021833, such as future plugging and abandoning of any of the wells on the lease. Hebeo stipulated to assume any liability arising from Federal Lease No. NM-021833, attached as A.

3. There also exists a Federal Court Order that enforces and effectuates the Final Judgment of April 7, 1992, attached as B.

4. There is a Court date set for October 6, 1998, to determine ownership at which time the Court will determine the party that will assume liability, which will be either Hebeo Oil or Sagebrush Oil.

So therefore after October 6, 1998, if Sagebrush continues to be the operator, it proposes the following:

1. Shoot the casing that is laying on the bottom of the hole & is blocking the flow of oil;
2. If this fails to produce in paying quantities - to file a Sundry to deepen the hole 30' to allow the joint of casing to fall past the pay zone;
3. If the well, after being worked over, fails to produce in paying quantities the operator proposes to plug and abandon well as follows:

Plug #1 1635' - 1256' - top of the Gallup @1306'

Plug #2 200' - 0'

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

SIGNED Bob Charles

TITLE President

DATE 8/10/98

(This space for Federal or State office use)

APPROVED BY Patricia M. H.

TITLE Lands and Mineral Resources

DATE 11-2-98

CONDITIONS OF APPROVAL, IF ANY:

per phone conversation 10-20-98 Court date delayed to January - Submit plans and hearing take place -
*See instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes 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.