

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
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.
NM013410

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Vernon E. Faulconer, Inc.

8. Well Name and No.
Potts Federal #2

9. API Well No.
30-015-23124

3a. Address
PO Box 7995 Tyler, TX 75711

3b. Phone No. (include area code)
903-581-4382

10. Field and Pool or Exploratory Area
Burton Flat Morrow

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980 FNL & 1980 FWL, Section 13, Township 20S, Range 27E

11. Country or Parish, State
Eddy County, New Mexico

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

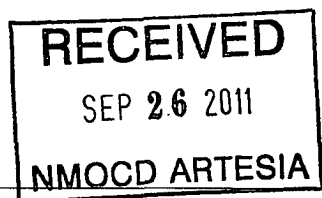
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" 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 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 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 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 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.)

All equipment, will be removed, the oil Saturated soil around the base of the oil tank. will be removed along with the salt impacted area where the plugging company cleaned up on the pad. Any African Rue plants that are on the location will be dug up and hauled off with the contaminants to the disposal site. When the location is clean, we propose to push the caliche from the well pad into the cut on the west/southwest side of the location to reestablish the natural contour. Excess material from the location will be spread to complete the capping of the old pit area. We will need to haul in some additional soils(4-6") to cap the pit and the pad. The caliche on the road will be utilized to complete the contour of the location and pit.

If during the removal of the caliche we start exposing undisturbed caliche,
We will stop and proceed to pull the material from the sides of the road onto the driving portion of the road capping with the soils and vegetation (good mulch).

Upon completion of the dirt work, we need to lightly rip across the slope for erosion controls. Seed all disturbed areas with a combination of BLM Seed mix #3 & #4. Construct a fence at the Potts Federal No. 1 location adequate to keep traffic off the reclaimed access and location.



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

Title Engineer

Signature

Date 09/02/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

SEPS

Date

9-18-11

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

CFO

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)

9/26/2011

Accepted for record
NMOC D