

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.  
NM0272711

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

E. G. L. RESOURCES, INC.

## 3a. Address

PO BOX 10886, Midland, TX 79705

## 3b. Phone No. (include area code)

432-687-6560

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

1,650' FSL &amp; 1,650' SWL, SEC. 1, TWP. 23-S, RGE. 24-E

7. If Unit of CA/Agreement, Name and/or No.  
ROCK TANK UNIT

8. Well Name and No.

4

9. API Well No.

30-015-20320

10. Field and Pool or Exploratory Area

Wildcat

11. Country or Parish, State

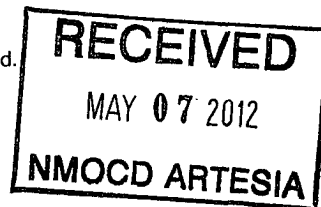
Eddy County, New Mexico

## 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 checked="" 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 checked="" 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 checked="" 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 checked="" 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 recompletion 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.)

- 1) MIRU workover unit. Bleed off casing and tubing. ND wellhead. NU BOP.
- 2) Release pkr from 8,848'. RIH w/ pkr to 9,220'. POOH & LD pkr.
- 3) Run GR-CCL-CBL log from +/- 4,500' to 3,000' or top of cement if higher. Evaluate cement bond log for Delaware re-completion. - See Log
- 4) Set CIBP at 8,965' and dump ball 35' cement on top. - Set CIBP at 8,265' and dump ball 35' cement on top. - See Log
- 5) Perforate Delaware formation 3,870' - 90' and 3,920' - 40' (120 holes).
- 6) RIH w/ RBP and pkr. Set RBP at 4,000'. Pickle tubing. Set pkr at 3,800'. Test casing to 500 psig.
- 7) Acidize perms 3,870' to 3,940' w/ 2,000 gallons 7-1/2% HCl with additives.
- 8) Flow/swab test well. Determine oil cut and commercial viability of completion. Determine whether fracture stimulation is desired. Determine whether artificial lift equipment will be required to immediately produce well.
- 9) Release packer and retrieve RBP. POOH w/ tools.
- 10) RIH w/ production equipment. ND BOP. NU wellhead. RIH w/ rods and pump.
- 11) RD workover unit and clean location. Move off location.
- 12) Set 228 pumping unit and hang well off. Set surface production equipment and build tank battery.
- 13) Place well on production.



NOTE: IF DELAWARE FORMATION IS NOT A COMMERCIALY PRODUCTIVE OF OIL AND GAS, APPLICATION MAY BE SUBMITTED TO CONVERT WELLBORE TO SALT WATER DISPOSAL FOR THE ROCK TANK UNIT.

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

JOHN A. LANGHOFF

Title PETROLEUM ENGINEER

Signature

Date 12/29/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER

Office

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.

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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)

**Rock Tank Unit 4  
API #30-015-20320  
E.G.L. Resources  
May 2, 2012  
Conditions of Approval**

**Operator NOI Sundry includes abandonment of well below 8230'. Well is vertical well to 10921' MD and is barefoot, with 516' of uncased hole below the 5-1/2" shoe at 10405'. Current PBTD is at 9815'.**

Open perforations exist in Strawn formation from 9015' – 9180' selective.

**Conditions of Approval:**

1. Surface disturbance beyond the originally approved pad shall have prior approval.
2. Operator to have H2S monitoring equipment on location.
3. **A minimum of a 5000 (5M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**
4. Steps 1 and 2 – OK
5. Step 3 – Run CBL from PBTD to 2483' to evaluate cement behind casing for future abandonment purposes. BLM recommends a sector log be utilized for this evaluation since there was prior reported communication behind casing in the Morrow. A copy of the log is to be provided to the BLM.

Note: A PDF copy of the log transmitted by email to the BLM after the log is run will be acceptable. Before proceeding with the intended work, the Operator is to review the CBL with BLM representatives to ensure good cement exists behind the casing below the newly proposed PBTD of 8230'. Call the BLM Carlsbad Field Office representative at (575) 361-2822.

Modify Step 4 as follows:

6. Step 4a - Place an 850' cement plug on top of the bridge plug at 9815'. Plug shall be Class H. This top of this plug will be at 8965' or higher, to isolate the top of the Morrow formation at 9630' and the existing open perforations at 9015' – 9180'. The calculated slurry volume shall include an additional 10% per 1000' of depth in compliance with Onshore Order 2.III.G.2.
7. Step 4b - Place a 276' (minimum) balanced cement plug across existing 5-1/2" DV tool at 8510' to include the squeezed Cisco perforations from 8334'-8416'. Plug shall be Class H. The plug will extend from 8284' - 8560'. The slurry volume will include an additional 10% per 1000' of depth to comply with Onshore Order 2.III.G.2.
8. Contact BLM to witness the tag of the new PBTD. Pressure test the casing to ensure mechanical integrity for the new completion.
9. Steps 5 to 7. OK.
10. Step 8. If fracture stimulation is required, the proposed job design shall be reviewed in advance with BLM. If the frac is to be done immediately by the rig on the well, then the BLM shall be contacted for oral approval at 575 361-2822, to include review of pressures involved, status of casing and cement, and any possible limitations in overburden that may exist. Time permitting, a NOI sundry should be submitted in advance for BLM approval and include details on the planned procedure.
11. Step 9 to 13. OK.
12. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of workover operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
13. Completion Report and Subsequent sundry are required, detailing work done to include wellbore schematic. 24 hour production test data is to be included with Completion Sundry 3160-4.
14. Operator shall initiate this work within 30 days.
15. Rock Tank Unit #2 is not producing in paying quantities and Operator shall review it next.