

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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 page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

PHOENIX ENERGY

3a. Address

PO BOX 3396, EVERGREEN, CO 80437

3b. Phone No. (include area code)

303-670-5394

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

3310/N 1 2310/W 12-185-27E

5. Lease Serial No.

7056 NM 6852

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

CHUKKA FEDERAL #001

9. API Well No.

30-015-25370

10. Field and Pool or Exploratory Area

3230-ARTESIA, QUEEN, GRAYBURG

11. County or Parish, State

EDDY, NEW MEXICO

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Acidize ☐ Deepen ☐ Production (Start/Resume) ☐ Water Shut-Off
☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity
☐ Casing Repair ☐ New Construction ☐ Recomplete ☒ Other CHANGE OF
☐ Change Plans ☐ Plug and Abandon ☐ Temporarily Abandon OPERATOR
☐ Convert to Injection ☐ Plug Back ☐ 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 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.) CHANGE FROM EASTLAND OIL CO TO PHOENIX ENERGY

LEASE NUMBER: NM NM 6852

PHOENIX ENERGY ASSUMES OPERATOR RESPONSIBILITY FROM EASTLAND OIL

Bill S. Miller President 9/19/12

LEGAL DESCRIPTION OF LAND: CHUKKA FEDERAL 1 SE1/4 12 185 27E NM EDDY N

SUBJECT TO LIKE
APPROVAL BY STATESEE ATTACHED FOR
CONDITIONS OF APPROVAL
Accepted for recordNMOCD TOS
1-15-2014

NMB000473

DATE: 9/19/12

BOND COVERAGE: POLICY # 1063828 03/15/12 - 03/15/13
25,000 STATEWIDE OIL & GAS BOND BLM
LEXON INSURANCE COMPANY

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

BILL L. MILLER

Title Operator

Signature Bill S. Miller

Date 9/19/12

RECEIVED

JAN 15 2014

NMOCD ARTESIA

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

JAN 13 2014

Approved by

/s/ Jerry Blakley

Title

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.

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.

CARLSBAD FIELD OFFICE

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Effective 9/19/2012
Bond NMB000473

1/13/2014 Approved subject to Conditions of Approval. JDB
Change of Operator
Conditions of Approval

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. Submit for approval of water disposal method.
3. Submit updated facility diagrams as per Onshore Order #3
4. This agency shall be notified of any spill or discharge as required by NTL-3A.
5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
7. Subject to like approval by NMOCD.
8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
10. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.