

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 reverse side

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

PENROK OIL CORPORATION

3a. Address

PO Box 2769 HOBBS, NM 88241

3b. Phone No. (include area code)

505-492-1236

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

UNIT K, 1586' FWL, 1543' FSL, SEC 21-T23S-R22E

5. Lease Serial No.

NM 89799

6. If Indian, Allottee or Tribe Name

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

HUAPACHE RIDGE FED

8. Well Name and No.

HUAPACHE RIDGE FED Unit #1

9. API Well No.

30-015-32642

10. Field and Pool, or Exploratory Area

WILDCAT

11. County or Parish, State

EDDY CTY, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☒ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 shall 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 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.)

PLUGGED WELL AS FOLLOWS, TO LEAVE FRESH H2O ZONE OPEN @ 2301'

4-4-03: Pump 50 sx 'C' w/ 3% calcium @ 2696'. Could not tag. Pumped @ 2696'

4-5-03: Pump 50 sx 'C' w/ 3% calcium @ 2696'. Could not tag.

Pump 100 sx 'C' w/ 3% calcium @ 2879'. Could not tag.

Pump 10 yds. pea gravel, per Jim Armas, in hole.

Pump 100 sx 'C' w/ 3% calcium @ 3153'. Tag plug @ 3082'

Pump 150 sx 'C' w/ 3% calcium @ 2909'. Tag plug @ 3021'

4-6-03: Pump 7 yds gravel in hole. Top of gravel @ 2639'

Pump 50 sx 'C' w/ 3% calcium @ 2638'.

4-7-03: Tagged plug @ 2482'. Witnessed by Duncan
Installed screw on cap in well. Cleaned location.Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

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

Name (Printed/Typed)

TRACY HEADSTREAM

Title

PROP Foreman

Signature

Date

4-14-03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

PETROLEUM ENGINEER

Date APR 17 2003

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

Title 18 U.S.C. Section 1001 and Title 18 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 11 2003

Serial Number

NMNM89799

WATER WELL RELEASE

Instructions: District Manager prepares five copies. File original in District file. Submit one copy each to lessee and/or unit operator, Geological Survey, and State Director.

Penroc Oil Corporation, P. O. Box 2769, Hobbs, NM 88241-2769, hereinafter

called unit operator and Glen C. Luff, P.O. Box 10674, Midland, TX 79702-0674 hereinafter called lessee, do enter into an agreement by and between the United States of America, through the Bureau of Land Management, hereinafter called the Bureau, for release of water well no longer needed by lessee or unit operator.

Said water well was

- ☐ drilled expressly for water to be used in drilling operation
☒ discovered in the course of drilling for oil and gas
☐ discovered by seismograph operators
☐ Other

Said water well is located in (give legal description)
1586' FWL & 1543' FSL of
Section 21, T-23-S, R-22-E
Eddy County

in the State of New Mexico.

The Bureau, acting through the Secretary of the Interior by the authority provided in:

- ☒ 30 CFR 241 (acquisition and leasing of water wells)
☐ Section 40 of the Mineral Leasing Act of February 20, 1920, as amended
☐ Sections 3 and 10 of the Taylor Grazing Act of June 28, 1934, as amended (43 U.S.C. 315);

agrees to assume control and responsibility of water well, with condition that subsequent use will not restrict operations of lessee and unit operator and thereby relieves lessee, unit operator, and Geological Survey of any future liability for plugging water well.

The lessee and the unit operator agree to quitclaim all rights to water well to the Bureau in lieu of plugging water well to surface, ~~subject to letter agreement dated 7/12/02 between D. B. Murray and Glen C. Luff.~~ *JA*

It is further agreed by the undersigned that the owners of record title to the above oil and gas lease and the unit operator for lessee (name) Glen C. Luff

Penroc Oil Corporation and
well serial number API 30-015=32642
together with surety bonds are relieved from liability in connection with water well effective the date this instrument is signed for extent of liability for satisfactorily plugging of water well to the surface.

IN WITNESS WHEREOF, the undersigned hereto have executed this instrument

By (signature) <i>Glen C. Luff</i>		For Lessee (name) <i>Glen C. Luff</i>	Date <i>4/1/03</i>
By (signature) <i>[Signature]</i>		For Unit operator (name) Mohammed Yamin Merchant	Date 4/1/03
APPROVED BY GEOLOGICAL SURVEY		EXECUTED AND ACCEPTED BY BUREAU OF LAND MANAGEMENT	
Authorized Representative (signature)	Date	Authorized Officer (signature) <i>[Signature]</i>	Date <i>4/9/03</i>