

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ROSWELL DISTRICT COPY

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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 reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-060572A ✓
2. Name of Operator DAKOTA RESOURCES, INC. (I)		6. If Indian, Allottee or Tribe Name
3a. Address 310 W. WALL STE 814 MIDLAND, TX 79701	3b. Phone No. (include area code) 915-687-0501	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UNIT LETTER: F ✓ 2180' FNL & ✓ 1980' FWL SEC 7 T-21-S R-28-E ✓		8. Well Name and No. BIG EDDY FEDERAL # 98
		9. API Well No. 30-015-24707
		10. Field and Pool, or Exploratory Area NW FENTON - DELAWARE
		11. County or Parish, State EDDY CO, NM

12. CHECK 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"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other H ₂ S - ROE

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 shall 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 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.)

H₂S CONCENTRATION = $\frac{25000}{20000}$ PPM

GAS VOLUME = 11 Mcfd

$$100' \text{ ROE} = [1.589 * \text{PPM} * \text{MMcfd}]^{0.6258}$$

$$= [1.589 * \frac{25000}{20000} * 0.011]^{0.6258}$$

$$= 39.1' \approx 39' \quad 44.9 \text{ ft}$$

corrections per Duncan
Whitlock 6/12/97

$$500' \text{ ROE} = [0.4546 * \text{PPM} * \text{MMcfd}]^{0.6258}$$

$$= [0.4546 * \frac{25000}{20000} * 0.011]^{0.6258}$$

$$= 17.84' \approx 18' \quad 20.5 \text{ ft}$$

ACCEPTED FOR RECORD
JUN 12 1997
BLM

BUREAU OF LAND MGMT.
CARLSBAD RESOURCE AREA

1997 JUN -9 A 8:31

RECEIVED

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

Name (Printed/Typed) GREG MUEHLINGHAUSE	Title OPERATIONS MANAGER
Signature <i>Greg Muehlinghaus</i>	Date 6-4-97

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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, 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.

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NOTICE OF INCIDENTS OF NONCOMPLIANCE**

Identification	
Lease	NMLC060572A
CA	
Unit	
PA	

Certified Mail-Return Receipt Requested P363624789

Hand Delivered. Received by _____

Bureau of Land Management Office CARLSBAD RESOURCE AREA		Operator DAKOTA RESOURCES, INC.	
Address 620 E GREENE, CARLSBAD, NM 88220		Address 310 W. WALL, SUITE 814 MIDLAND TX 79701	
Telephone (505) 887-6544 (FAX 885-9264)		Attention	
Site Name TRIGG/BIG EDDY FED.	Well or Facility Identification WELLS #1 & #98	1/4 Sec. NWSW/SEW, 7	Township 21S
Inspector DUNCAN WHITLOCK	Range 28E	Meridian NMPM	

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE.

Date	Time (24-hour clock)	Violation	Gravity of Violation
97/04/13	1000	43CFR3162.1 O.O.#6,III,D,2	MINOR
Corrective Action To be Completed by	Date Corrected	Assessment for Noncompliance	Assessment Reference
97/05/21	6-2-97	\$	43 CFR 3163.1 ()

Remarks:

RADII OF EXPOSURE CALCULATION NOT SUBMITTED. SUBMIT RADII OF EXPOSURE AS PER ONSHORE ORDER #6.

When violation is corrected, sign this notice and return to above address.

Company Representative Title OPERATIONS MANAGER Signature [Signature] Date 6-2-97

Company Comments SEE ATTACHED SURVEY NOTICES

WARNING

Incidents of Noncompliance correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By," you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be completed no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, inventories, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 4015 Wilson Blvd., Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>	Date <u>97/04/20</u>	Time <u>0930</u>
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FOR OFFICE USE ONLY

Number	Date	Assessment	Penalty	Termination
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Type of Inspection:
PA/HAS

ORIGINAL (RETURN TO ISSUING OFFICE)

RECEIVED
MAY - 9 8:30
BUREAU OF LAND MGMT
CARLSBAD RESOURCE AREA