Form 3160-5 (April 2004)

## UNITED STATES DEPARTMENT OF THE INTERIOR

OCD-AI LESIA OMB No. 1004-0137 Expires: March 31, 20	00
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A110	BUREAU OF LAND MAN	UREAU OF LAND MANAGEMENT		5. Lease Serial No.	,		
SUNDRY NOTICES AND REPORTS ON WELLS				LC-0293958			
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.				6. If Indian, Allottee or Tribe Name			
SUBMIT IN TR	IPLICATE- Other inst	7. If Unit or CA/Agreement, Name and/or No.					
1. Type of Well	Gas WellOD  Other						
				8. Well Name and No. Tracy 29 Federal #1			
2. Name of Operator Biscuit Hills	Disposal L.IC.	9. API Well No.					
3a. Address         3b. Phone No. finelude of 575-396-6862           P.O. Box 564, Lovington, New Mexico 88260         575-396-6862			ude area code)	30-015-28142 10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)	Cedar Lake Wolfcamp					
950' FSL & 1980 FEL Sec. 29 T-17-S R-31-E			2008	11. County or Parish, State  Eddy Co. New Mexico			
12. CHECK APPROPRIATE BOX(ES) TO INDICATE MATTIRE 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 Constructio Plug and Abandon Plug Back		Well Integrity Other			
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.)  On or about 17 July 2008, a wireline CIBP will be set at 9600' in compliance with NMEMNRD Administrative Order SWD-1118 of April 24, 2008. The following zones will be perforated with 4spf correlated to the original well logs dated November 25, 1994: 8405-8325, 8450-8420,8600-8495, 8910-8890, 9030-9020, 9250-9220, 9370-9340, 9480-9465. The wireline unit will be released.  On or about 22 July 2008, will rig up with a pulting unit and RiH w/packer and RBP under 2 7/8"tubing work string and treat each zone separately with 15% HCL using rock salt as a diverting agent. The standing fluid level will be recorded for each zone and a swab test will be run on the upper Wolfcamp. Will POOH with work string and depending on the results of the acid treatment, if appropriate will run in the hole with a plastic coated packer and PC 2 7/8" tubing and wait for installation of surface equipment. If the treated zone does not look promising as a disposal, further work will be evaluated.							
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	1118 COMES PE	accountions	much 186	ISETWEEN	NMOCD:		
8327	+ AND 9470,	MILLET REF	" TWESSED	RU SUBJECT	TO LIKE		
min	AZ MIT TEST GIVE 24 HOW	e MITIFIC	ATLOW.	APPROVA	al by state		
14. I hereby certify that the foreg			, 16				
Name (Printed/Typed)  Donald M. Harre		Title	Manager				
Signature Vandu	( M & and	Oct Date	13 July	2008 AP	PROVED		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
A1L-			Tid		 JL 2 6 2008 ;		
Approved by  Conditions of approval, if any, are a certify that the applicant holds legal which would entitle the applicant to	or equitable title to those rights in conduct operations thereon.	n the subject lease	Title Office		MES A. AMOS		
Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudule	43 U.S.C. Section 1212, make it a and statements or representations a	crime for any person as to any matter within	knowingly and willfully its jurisdiction.	to make to any department or ag	mey of the United		
(Instructions on page 2)							