

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**N. M. Oil Cons. Division**  
811 S. 1ST ST.  
ARTESIA, NM 88210-2834

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**

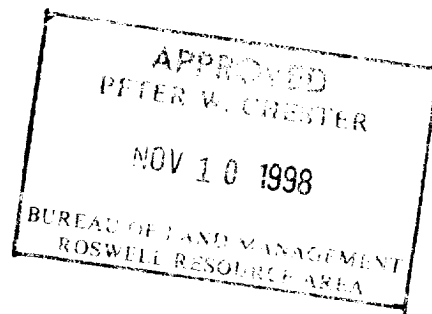
|  |   |
|--|---|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | 5. Lease Serial No.<br><b>NM-36195</b>                                |
| 2. Name of Operator<br><b>McKay Oil Corporation</b>  | 6. If Indian, Allottee or Tribe Name                                  |
| 3a. Address<br><b>P.O. Box 2019, Roswell, NM 88202</b>   | 7. If Unit or CA/Agreement, Name and/or No.                           |
| 3b. Phone No. (include area code)<br><b>(505) 623-4735</b>   | 8. Well Name and No.<br><b>#12 Remmale "B" FEDERAL</b>                |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><b>1760' FNL &amp; 2350' FWL, Sec. 27, T6S, R22E</b>   | 9. API Well No.<br><b>32-105-62157</b>                                |
|  | 10. Field and Pool, or Exploratory Area<br><b>W. Pecos Slope Abo.</b> |
|  | 11. County or Parish, State   |

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

| TYPE OF SUBMISSION   | TYPE OF ACTION                                     |
|--|--|
| <input type="checkbox"/> Notice of Intent                    | <input type="checkbox"/> Acidize                   |
| <input type="checkbox"/> Subsequent Report                   | <input type="checkbox"/> Deepen                    |
| <input checked="" type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Fracture Treat            |
|  | <input type="checkbox"/> Production (Start/Resume) |
|  | <input type="checkbox"/> Reclamation               |
|  | <input type="checkbox"/> Recombine                 |
|  | <input type="checkbox"/> Temporarily Abandon       |
|  | <input type="checkbox"/> Water Shut-Off            |
|  | <input type="checkbox"/> Well Integrity            |
|  | <input type="checkbox"/> Other <b>Post ID-2</b>    |
|  | <b>1-24-99</b>                                     |
|  | <b>PLA</b>   |

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.)

Well was P & A Sept. 9, 1998. Cemented to surface with 45 yds of Class "C" cement & installed day hole marker.



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

Name (Printed/Typed)

**Bill J. Milstead**

Signature

**Bill J. Milstead**

Title

**Vice President**

Date

**9/10/98**

**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.