

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED 2157  
Budget Bureau No. 1004-0135  
Expires November 30, 2000

**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.

**N.M. Oil Conservation Division**  
811 S. 1st Street  
Artesia, NM 88210-2834

Lease Serial No. **93792**  
MNM93722  
Lottee or Tribe Name

*SUBMIT IN TRIPLICATE - Other instructions on reverse side*

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**KCS Medallion Resources, Inc.**

3a. Address  
**7130 South Lewis, Ste. 700 Tulsa, OK 74136-5489**

3b. Phone No. (include area code)  
**(918) 491-4137**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1980' FSL, 660' FWL  
 Sec 19, T18S, R31E**

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

8. Well Name and No.  
**West Shugart 19 7  
 Federal]**

9. API Well No.

10. Field and Pool, or Exploratory Area  
**Shugart West  
 Bone Springs**

11. County or Parish, State

**Eddy NM**

12. CHECK 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

- |   |   |  |   |
|---|---|--|---|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other _____    |
| <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            |   |

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 3160-3 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 final site is ready for final inspection.)

The existing #7 tank battery, separation equipment and metering will now be used for the #4 well. A new heater treater, gas meter & water meter will be installed for the #7 well. Also one tank in the #3 battery will be isolated and used for the #7 stock tank.

We will also install a new 500 bbl water tank next to the existing 500 bbl water tank.

We spoke to David Glass on 9/27/99 about this before doing it to make sure that it was OK. He did not see any problems.

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

**Kaye Alley**

Title

**Production Technician**

Date **9/29/99**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

**ORIG. SGD. GARY GOURLEY**

**PETROLEUM ENGINEER**

Date

**OCT 07 1999**

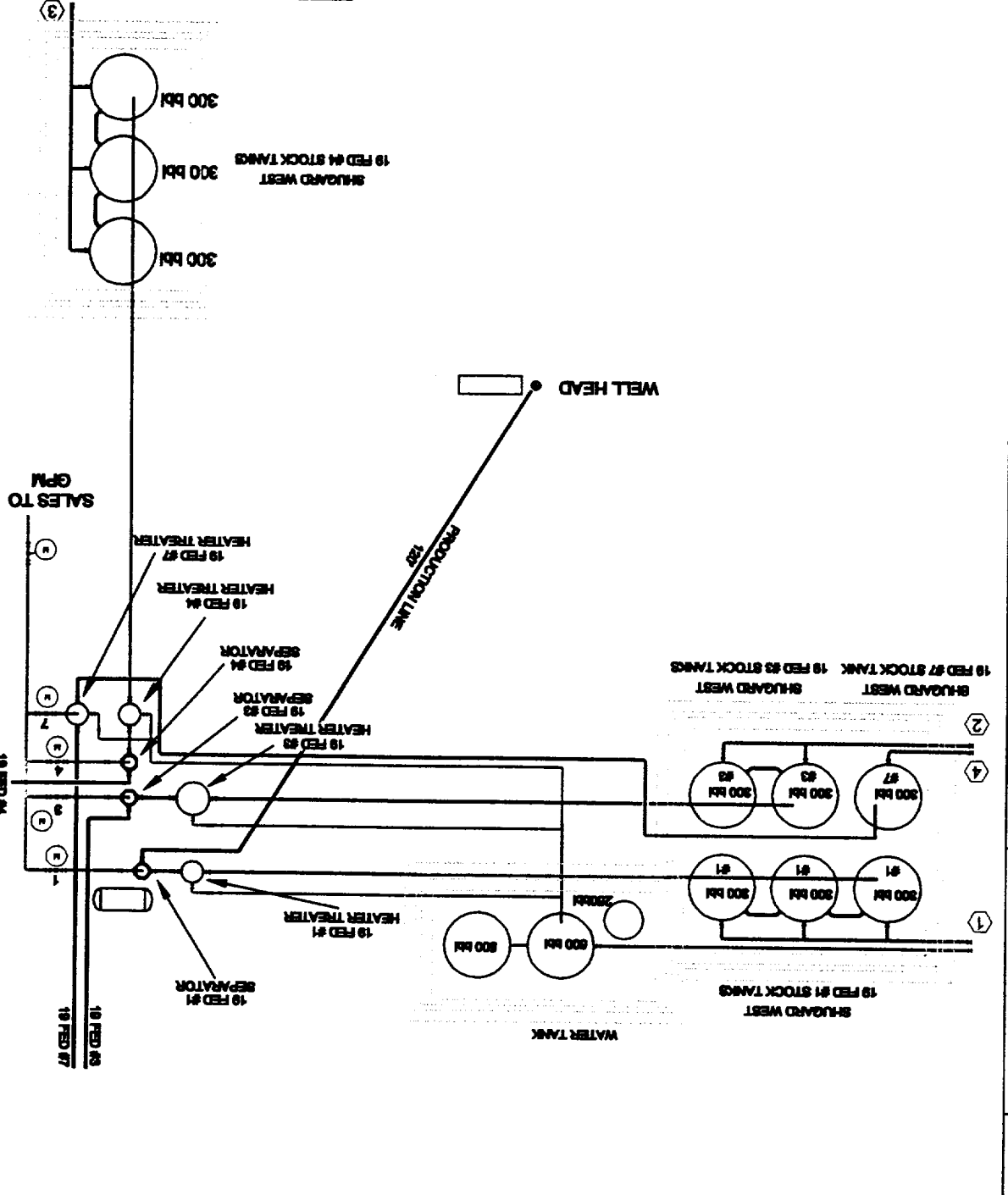
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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.

(Instructions on reverse)

**KRS** KCS Mediation Resources, Inc.  
 7130 So. Lewis Ave. Suite 8700  
 Tulsa, OK 74138  
 Well Name and No.  
**SHUGART WEST TANK BATTERY**  
 Location:  
 West Shugart Prospect  
 Sec 19 T20N & R28E  
 Eddy, NM  
 Drawn By: H.H. Date: 8-28-88



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