

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division

1625 N. French Dr.

Hobbs, NM 88240

FORM APPROVED
OMB 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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

PENROC OIL CORPORATION

3a. Address

P.O. 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)

330' ENL & 1650' FEL
24. 9s. 35e

5. Lease Serial No.

NM 96248

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Barnes Federal 1

9. API Well No.

30-025-21759

10. Field and Pool, or Exploratory Area

Barnes San Andres

11. County or Parish, State

Lea, 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"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recomplate 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.)

Pursuant to your letter dated March 18, 2004, Penroc submitted the following P & A Proposal:

- Set either a 8 5/8" CIBP above San Andres perf 4760-4800' i.e. CIBP @ 4700' or a stable 35 sx cement plug. If CIBP is set, put 35' cement on top of same.
- Displace hole w/ 10" gelled brine and spot 25 sx. plug @ 4800'.
- Pull up & set 25 sx cement plug across base of surface casing @ 458'.
- Spot 10 sx surface plug. Cut off well head and install dry hole marker.
- Clean up location - Move out equipment. Tank battery facilities will be in place as they are being used for well No. 2.

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

Name (Printed/Typed)

M. Y. Merchant

Title

Asst. Dir.

Signature

[Signature]

Date

4/2/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

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

APR 9 2004

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

GARY GORLEY
PETROLEUM ENGINEER

GWW

APPROVED FOR 3 MONTH PERIOD

ENDING 7-9-04