

March 14,2005

United Sates Department of the Interior Bureau of Land Management Farmington Field Office 1235 La Plata Highway Farmington, New Mexico 87401 ATTN: Mr. Stephen Mason

> Re: NMNM-20307 (WC) 3162.3-2 (21110) (Letter dated. March 2, 2005) Navajo "O" 18, Well No. 10 API No. 30-045-30936 San Juan County, New Mexico



Dear Mr. Mason,

In response to your subject letter (copy attached), please find enclosed a BLM Form 3160-5 indicating our Plug and Abandonment plans for this subject well and request for possible additional time to accomplish this work.

As indicated on the attached 3160-5, we have been in contact with Mr. Bill Clark with A-Plus Well Service, Inc. of Farmington, New Mexico. He is to develop some P&A procedures and obtain BLM approval for the work, then commence with actual Plug and Abandonment of this wellbore on our behalf. Even though our intentions are to have this work under way by the extended deadline of March 31, 2005 that you have already so graciously provided, it is conceivable that additional time to accomplish this work will be necessary.

Please accept our apologies for the delay in our analysis of this well and deciding its potential. We appreciate your patience and hope this will bring this well into compliance and preclude any further actions by the BLM.

If further information is needed, please contact me at (432) 498-8662 or e-mail at abohling@pureresources.com. Thank you for your patience and help in this matter.

Sincerely,

Alan W. Bohling Regulatory Agent Form 3160-5 (August 1999)

(Instructions on reverse)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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.

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N	MN	M-2	203	07

6. If Indian, Allottee or Tribe Name

abandoned well. Use Form 3	1160-3 (APD) for such pro	oposals.	-	,			
The Submitted Remeaters	វិទ្ធាវិធី ប្រជាពិធី ប្រជា		7.	If Unit or CA/	Agreement, Name and/or No.		
1. Type of Well			Na	vajo O 18			
Oil Well Gas Well Other 2. Name of Operator		8. Well Name and No.					
Pure Resources, L. P.		. (include area code		API Well No.	2		
3a. Address 500 W. Illinois, Midland, Texas 79701	٠/ <u>-</u>	10. Field and Pool, or Exploratory Area					
4. Location of Well (Footage, Sec., T., R., M., or Su 660' FSL & 1975' FEL	rvey Description)			Basin Dakota 11. County or Parish, State			
Sec. 18, T-25-N, R-10-W		Sa	San Juan County New Mexico				
12. CHECK APPROPRIATE I	BOX(ES) TO INDICATE	NATURE OF N	OTICE, REPO	RT, OR O	THER DATA		
TYPE OF SUBMISSION		TYPE OF A	CTION				
Notice of Intent	☐ Deepen		duction (Start/ Res	sume)	Water Shut-Off		
Subsequent Report Casing Re	_	=	clamation complete	\ \overline{\mathbb{X}}	Well Integrity Other Additional Time		
Change P	lans X Plug and A	bandon 🔲 Ter	mporarily Abandor	1	to Allow Third Party to		
Convert to	Injection Plug Back	☐ Wa	ater Disposal		P&A Well		
This Sundry is to request for some additional attached). We have completed our analytic proceed with Plug and Abandonment We've contacted Mr. Bill Clark with A-P the P&A procedures and will be submitted Well Service will then proceed with the It is our intention to have this P&A work Procedure development and processing an extension may be needed to complete.	lysis for future potential of this well. lus Well Service, Inc. in ing them to the appropripling and Abandonment approved and in progreg as well as the undeter	Farmington, Notice BLM person of this well. The seasons by the new mined rig available.	e and have de ew Mexico (5 onnel for appro March 31, 20 ability and/or s	05-325-262 oval. Upor 05, however	27). He is working on approval, Mr. Clark's er, due to P&A it is conceivable that		
an extension may be needed to comple	te this work I hank yo	u for your cons	ideration of th				
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14. I hereby certify that the foregoing is true and corn Name (Printed/Typed) Alan W. Bohling	ect	Title Regulatory Ag	gent	77.	З		
Elaule Boling		Date 03/14/2005			·		
WITH THE COURSE OF A SECOND PROPERTY OF THE WAY AND ASSESSED TO SECOND PROPERTY OF THE PROPERT	<u> ছিলেবেল্লাব্যরেলন্ট্রি</u>	Korski kraj			i de la composition de la composition La composition de la		
Approved by		Title		MARete	6 2005		
Conditions of approval, if any, are attached. Approcertify that the applicant holds legal or equitable title which would entitle the applicant to conduct operati	e to those rights in the subject I		Office FARMINGTON FIELD OFFICE BY				
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

Farmington field Office 1235 La Plata Highway Farmington, New Mexico 87401

IN REPLY REFER TO:

NMNM-20307 (WC) 3162,3-2 (21110)

March 2, 2005

Mr. Mike Phillips Pure Resources, L.P. 500 W. Illinois Midland, TX 79701

Dear Mr. Phillips:

Reference is made to your well No. 10 Navajo O 18 located 660' FSL & 1975' FEL sec. 18, T. 25 N., R. 10 W., San Juan County, New Mexico, lease NMNM-20307. Also referenced is our letter dated January 21, 2005, which required you to submit your plans for the above mentioned well within 30 days of the receipt of that notice.

You are in violation of 43 CFR 3163.1. This is a minor violation. If the violation is not corrected you may be subject to an assessment. You have until March 31, 2005 to correct this violation. Failure to comply within the time above may result in an assessment in accordance with 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-93000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from Instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,

Stephen Mason

Petroleum Engineer, Petroleum Management Team