

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS
HOBBS OCD

JUL 28 2011

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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 Snow Oil & Gas Inc

3a. Address
P.O. Box 1277 Andrews, TX 79714

3b. Phone No (include area code)
432 524-2371

4. Location of Well (Footage, Sec., T., R. M., or Survey Description)
660' FNL & 330' FEL
Section 9, T20S, R34E

5. Lease Serial No
NMLC 064194

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
SCJ Federal I

9. API Well No
30 03-025-31717

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Lea County, NM

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"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 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 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)

In 23 days on production, the well has produced 80 bbl of oil (net 78%; \$89/bbl) and 529 bbl of water. The well is producing \$184.18 net per day after subtracting the following daily costs. At today's oil prices, the well is economic to produce in paying quantities of .85 bbl of oil per day.

\$14.8/day electrical
\$13.9/day pumping
\$15.3/day admin
\$9.16/day water disposal
\$4.12/day miscellaneous

See attached
for comments
and requirements.

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

Joe Lindemood

Title Agent, Snow Oil & Gas Inc

Signature

Joe Lindemood

Date

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

Office

JUL 25 2011

WESLEY W. INGRAM
PETROLEUM ENGINEER

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 department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**SCJ Federal 1
30-025-31717
Snow Oil & Gas Inc.
July 25, 2011
Comments and Requirements**

- 1. Operator did not specify the 23 days that the well was on production. Provide dates.**
- 2. Operator was requested on the sundry returned June 23, 2011 to provide the daily production volumes from June 15-20, 2011 by July 5, 2011. This was prior to the rod part. Are those volumes included in the 23 days?**
- 3. Operator to provide daily pumper reports to support production detailed on this sundry.**
- 4. Operator shall perform a 72 hour independent well test witnessed by the BLM. Test to be performed on or before August 25, 2011.**
- 5. In addition, operator shall submit daily pumper reports monthly for the months of July-September, which will be compared with the OGOR reports submitted to ONRR.**
- 6. The operator shall contact the BLM if the well will be down more than 24 hours. If an emergency happens with the well, the operator shall contact the BLM within 24 hours to discuss what has happened and the timing for when the well will be back on production.**

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