

NOV 23 2011

OCD-HOBBS

Form 3160-5  
(April 2004)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

## 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.

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 20075 Lease Serial No  
NMLC 054667  
6 If Indian, Allottee or Tribe Name

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

8 Well Name and No.  
Crosby Deep #39 API Well No  
30-025-11870

10 Field and Pool, or Exploratory Area

SWD; Fusselman

11 County or Parish, State

Lea

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well  
☒ Oil Well ☐ Gas Well ☒ Other2 Name of Operator  
DC Energy LLC3a Address  
105 Oscar Lane Dallas, Georgia 301323b Phone No. (include area code)  
770-757-3715

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 33 25S, 1980' FSL and 1980' FEL  
R37 E

Unit J

## 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 checked="" type="checkbox"/> Other Well Head
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	see below
	<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.)

Move Rig onto hole, Install 7 1/16th 5K standard BOP, pull existing tubing and packer out of hole, this well has CIBP set at 9595' according to accepted sundry notice filed with OCD on 06-21-76 it also states that the McKee zone is "now plugged". (Please see attached sundry notice),

1) Run Sandline to determine depth

2) Set Temporary Plug at 200'

3) Remove old Well Head, and Install new 7 1/16 3K Well Head

4) Pull Temp Plug,

5) Set CIBP 200' below Fusselman zone @ 8895' this will be done to satisfy the OCD order SWD-1233 to Plug back the permitted disposal zone

6) Run Packer and tubing back into hole set packer 100' above Perforations, Run MIT will contact BLM/OCD to witness.

SEE ATTACHED FOR  
CONDITIONS OF APPROVALExpired  
SWD-123314 I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Dan Johnson

Title Managing Member

Signature

Date

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

APPROVED  
11/15/2011

NOV 22 2011

WESLEY W. INGRAM  
PETROLEUM ENGINEER

Title 18 USC Section 1001 and Title 43 USC 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.

(Instructions on page 2)

Condition of Approval: the operator shall give 24 hour notice to the appropriate District office before work begins

Notify BLM ALSO!!

NOV 28 2011

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEYSUBMIT IN TRIPLI  
(Other instructions  
verse side)

COPY TO O. &amp; F.

Form approved.  
Budget Bureau No. 42-R14

5. LEASE DESIGNATION AND SERIAL NO.

LC-054667

6. IF EXIST, ALLOTTEE OR TRUSS NO.

## SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT--" for such proposals.)

1.

OIL  
WELL ☐ GAS  
WELL ☒ OTHER

2. NAME OF OPERATOR

UNION TEXAS PETROLEUM CORPORATION

3. ADDRESS OF OPERATOR

1300 Wilco Building, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Grosby Deep

9. WELL NO.

3

10. FIELD AND POOL, OR WILDCAT

Grosby (McKee)

11. SEC. T. R. M. OR S.W. AND  
SURVEY OR AREA

Sec. 33, T-25-S, R-37-

14. PERMIT NO.

15. ELEVATIONS (Show whether BP, RT, CR, etc.)

3010' DF

12. COUNTY OR PARISH

Lea

13. STATE

New Mexi

16.

## Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

SOURCE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON\*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONING

(NOTE: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)17. DESCRIBE PROPOSED OR CONTINGENT OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting  
proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones p  
nent to this work.) \*

1. May 20, 1976, re-entered well and pulled McKee & Fusselman tubing, Model FA Seal Assembly and Baker Cross-Over.
2. May 24, 1976, ran tubing & Model "R" single grip packer and set @ 9520'.
3. May 25, 1976, swbd. well from 2000' to 3200'. Ran temperature survey & found fluid entering perfs. 9641 to 9720'.
4. May 27, 1976, set CIBP @ 9595'. Attempted to set 20' cmt. plug on top of BP, but was unable to get in liner w/dump bailer.
5. McKee Zone of this well is now plugged and we will produce only from the Fusselman Zone.

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

SIGNED

(This space for Federal or State office use)

TITLE Gas Measurement Analyst

DATE 6-21-76

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

ACCEPTED FOR RECORD

JUN 23 1976

J. S. GEOLOGICAL SURVEY  
HOBBS, NEW MEXICO

\*See Instructions on Reverse Side

**Crosby Deep 3  
30-025-11870  
DC Energy LLC  
November 22, 2011  
Conditions of Approval**

**Approval is only for replacing the well head and is NOT approval to convert the well to a salt water disposal well. Operator does not have current approval for salt water disposal into this well as SWD-1233 expired on August 17, 2011. In addition, the BLM has not approved a sundry converting the well to injection.**

**NOTIFY DUNCAN WHITLOCK WITH THE BLM AT 575-361-2630 A MINIMUM OF 24 HOURS PRIOR TO COMMENCING WORK. IF UNSUCCESSFUL, CONTACT STEVE CAFFEY AT 575-393-3612.**

- 1. Surface disturbance beyond the originally approved pad must have prior approval.**
- 2. Closed loop system required.**
- 3. Operator to have H2S monitoring equipment on location.**
- 4. A minimum of a 5000 (5M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (5M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**
- 5. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.**
- 6. Operator procedure steps 1-4 approved as written.**
- 7. Step 5 has been modified. Operator shall tag CIBP at 9595' with tubing. Operator shall pump a 25 sack Class H cement plug. Plug to be tagged and pressure tested.** ✓
- 8. Operator can set the CIBP 200' below the Fusselman zone, but should be aware that the review of the injection permit could change this requirement as operator does not have a current permitted disposal zone. Expired order required CIBP and cement, not just CIBP. In addition, operator will be required to test the casing to the pressure approved for injection prior to installing the tubing and packer. The pressure in the expired order is 1731 psi and the test shall be done to this pressure. If the well receives an approved/reinstated salt water disposal order with a higher pressure, the casing shall be tested to that pressure.**
- 9. MIT to be scheduled for a date after an approved/reinstated order has been issued.**
- 10. Work to be completed within 30 days of approval.**
- 11. Operator to submit a subsequent sundry detailing work completed on the well.**