

HOBBS OCD

JAN 17 2012

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS**
RECEIVED
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 ☐ Other2 Name of Operator
DC Energy LLC3a Address
105 Oscar Lane Dallas, Georgia 301323b Phone No. (include area code)
770-757-37154 Location of Well (Footage, Sec., T., R., M., or Survey Description)
N-28 25S- 37E

5 Lease Serial No

NMLC 034117B

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

Crosby Deep #001

9. API Well No

30-025-23891

10 Field and Pool, or Exploratory Area

11 County or Parish, State

Lea**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other **To Evaluate as a****SWD or PLUG and****Abandon**

- 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.)

BLM Bond NO: NMB000809**DC Energy LLC respectfully request the BLM Grant until 02/2013 to evaluate this wellbore as a SWD. If this well cannot serve as a SWD well, DC Energy LLC will file sundry notice to Permanately PLUG and ABANDON this wellbore by 02/2013. This request is consistent with DC Energy LLC 18 month Plan agreed to on 08/25/2011**

SEE COA's

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

LAST prod 6/1998

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Dan Johnson**Title **Managing Partner**

Signature

Date

11/28/2011**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

/s/ JD Whitlock Jr

Title

LPE7

Date

1/12/12

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

(FO)

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)

MW/OCD 1-17-2012

JAN 23 2012

Bureau of Land Management

Carlsbad Field Office and Hobbs Field Station
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval For Recompletion and/or Shut-in of Well

**DC Energy LLC
Crosby Deep #1
NMLC034117B
3002523891**

43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon, in accordance with a plan first approved in writing or prescribed by the authorized officer, each newly completed or recompleted well in which oil or gas is not encountered in paying quantities or which, after being completed as a producing well, is demonstrated to the satisfaction of the authorized officer to be no longer capable of producing oil and gas in paying quantities, unless the authorized officer shall approve the use of the well as a service well for injection to recover additional oil or gas or for subsurface disposal of produced water.

43 CFR 3162.3-4 (c) No well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer. The authorized officer may authorize a delay in the permanent abandonment of a well for a period of 12 months. When justified by the operator,.....

1. You are approved to maintain this well in Shut-in status, as per request received December 6, 2011, until June 15, 2012.
2. Plans to convert this well to a SWD, C-108 to the NMOCD and Notice of Intent to BLM, shall be submitted to the NMOCD and BLM Carlsbad Field Office by April 2, 2012 to allow time for review.
3. DC Energy LLC must submit OGOR reports to ONRR, (MMS), within the next 30 days.