

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

HOBBS OCD

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

FEB 13 2012

5. Lease Serial No.

LC 069515

6. If Indian, Allottee or Tribe Name

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

North El Mar Unit

NM 70994X

8. Well Name and No.

North El Mar Unit #23

9. API Well No.

30 025 08276

10. Field and Pool, or Exploratory Area

El Mar (Delaware)

11. County or Parish, State

Lea County, N.M.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Sahara Operating Company

3a. Address

P.O. Box 4130, Midland, TX 79704

3b. Phone No. (include area code)

432/697-0967

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

1980' FSL & 1980' FWL, Sec 25, T26S, R32E, NMPM
Unit Letter "K"

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 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 Treatment | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input checked="" 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 | Test and return to |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | injection |

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 recompletable 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 recompletable 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.)

Repaired hole in 4.5" casing as follows:

1-7-2012 POH with 181 rods and pump - ND well head - NU BOP - POH with tubing - RIH with RPB - Set @ 4035' - dump sand - POH - SDFD.
1-10-12 RIH with packer and hunt hole - found hole +/- 700' to 500' - SDON
1-11-12 safety meeting - RIH and test casing below 700 good - PUH and tested above 425' - tested good - pump 70 sacks of cement - circulated out back side - displaced to 425' - SDON
1-12-12 TIH w/bit and collars, Start drilling @ 482', drill to 541', circ clean, PUH, SDON.
1-13-12 Start drilling 541', drill to 611' and fell free, Circ hole clean. Tested casing to 500# OK. SDON.
1-16-12 POH, LD bit and collars. TIH, circ sand off RBP, POH and LD RBP. Ran bit and scraper, tag 4517'. POH, SDON.
1-17-12 TIH & cleanout to 4638'. POH. Start IH w/production string. SDON
1-18-12 Fin IH w/tbg. Ran pump and rods, hung well back on, RDMO.

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

Name (Printed/Typed)

Robert McAlpine

Title

President

Signature

Date

1/27/2012

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

BUREAU OF LAND MANAGEMENT

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.