

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCT 20 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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC 064194
2. Name of Operator Snow Oil & Gas Inc		6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 1277 Andrews, TX 79714	3b. Phone No. (include area code) 432-524-2371	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FEL & 660' FEL Section 4, T20S, R34E		8. Well Name and No. Powell Federal 1
		9. API Well No. 30-025-30519
		10. Field and Pool, or Exploratory Area
		11. County or Parish, State Lea County, New Mexico

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

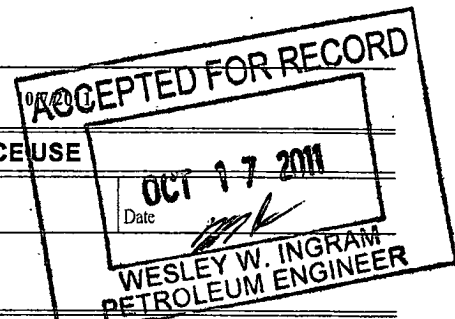
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 checked="" 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 recomplete 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 recompletion 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 accordance to Sundry dated September 16, 2011 and accepted for record September 30, 2011, said gauge numbers witnessed and performed by the BLM to do not correspond with gauge numbers supplied by Snow Oil & Gas Inc. Therefore, Snow Oil & Gas Inc has rigged up workover unit as of today's date to repair pump and to perforate the Delaware formation at approximately 5704'-5735' and run swab test.

See attached Conditions.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Joe Lindemood		Title Agent
Signature <i>Joe Lindemood</i>		Date
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



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.

(Instructions on page 2)

MAR 22 2012

**Powell Federal 1
30-025-30519
Snow Oil & Gas Inc.
October 17, 2011
Conditions of Approval**

Snow Oil & Gas Inc. did not supply any numbers with the sundry dated September 16, 2011. The sundry stated that Snow Oil & Gas Inc. was still waiting for results.

Therefore, the Bureau of Land Management (BLM) made their decision requesting a plug and abandonment procedure based on the results that were available.

Operator will be required to perform another production test on this well when the work over is completed. This test shall be performed between 15 and 30 days after the work over is completed to allow adequate time to flow back the treatment fluids. Therefore, the test shall be scheduled for the second or third week of November 2011.

This production test for 72 hours will be done with a test separator with flow meters to enable accurate measurement of the gas/oil/water production. This test shall be monitored by a BLM inspector, who will compare the volumes measured by the test separator with the volumes that accumulate in the storage tanks. Operator shall provide a specific gravity for the oil production prior to the test and the specific gravity shall be monitored and witnessed by the BLM on a daily basis during the test.

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