

HOBBS  
MAY 15 2012UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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 064194  
6 If Indian, Allottee or Tribe Name

7 If Unit or C.A. Agreement, Name and/or No

8 Well Name and No  
Powell Federal 19 API Well No  
30-025-30519

10 Field and Pool, or Exploratory Area

11 County or Parish, State

Lea County, New Mexico

## SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well  
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
Snow Oil & Gas Inc3a. Address  
P.O. Box 1277 Andrews, TX 797143b. Phone No (include area code)  
432-524-23714 Location of Well (Footage, Sec., T., R., M., or Survey Description)  
660' FSL & 660' FEL  
Section 44, T20S, R34E

Lea Delaware, NE

## 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

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.)

Powell Federal 1 & SCJ Federal 1 had to have production storage tank batteries built in order to properly produce the wells and that a retest is in order to show paying quantities. Once commingled battery is built, test would need to be rescheduled. After said test, Operator will submit a PxA sundry if necessary.

DENIED

Wesley M. Ingram  
5/12/201214 I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Joe Lindemood

Title Agent

Signature

Date

04/26/2012

## 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

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)

MAY 16 2012

**Powell Federal 1  
30-025-30519  
Snow Oil & Gas Inc  
May 12, 2012  
Reasons for Denial**

- 1. Operator is in non-compliance on this well.**
- 2. BLM inspectors have witnessed well tests and the conclusion is that the well is not capable of producing in paying quantities.**
- 3. Operator submitted a subsequent sundry September 19, 2011 stating that they were waiting on test results. Based on BLM witnessed test, operator was instructed to submit a Plug and Abandonment procedure by October 15, 2011. Operator has not complied.**
- 4. Operator submitted a sundry on October 11, 2011 stating that test numbers provided did not agree with those witnessed by BLM. Operator did not and still has not submitted any test data as of May 12, 2012. Operator was also required to run a second test with an independent tester.**
- 5. On October 21, 2011 – operator submitted a sundry stating that well was returned to production. On October 24, 2011, the subsequent sundry was returned with requirement for operator to submit with more details as to what work was performed. Operator has not complied.**
- 6. Second test was performed and the results again showed that the well cannot produce in paying quantities. Once again, Snow Oil and Gas did not supply any test data.**
- 7. Operator was issued an Incidence of Non-Compliance on March 20, 2012 requiring operator to submit a Plug and Abandonment procedure.**
- 8. Then on May 1, 2012, operator submitted a sundry to commingle this well with the SCJ Federal 1. This request is denied based on well test results.**
- 9. Due to non-compliance issues, Snow Oil and Gas Inc.'s bond shall be reviewed.**