

UNITED STATES **HOBBBS**  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**HOBBBS** **OCD**

**MAY 15 2012**

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  
☒ Oil Well ☐ Gas Well ☒ Other

2 Name of Operator  
Snow Oil & Gas Inc

3a Address  
P.O. Box 1277 Andrews, TX 79714

3b Phone No (include area code)  
432-524-2371

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)  
660' FNL & 330' FEL  
Section 9, T20S, R34E

5 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  
SCJ Federal 1

9 API Well No  
30-025-31717

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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input checked="" 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 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 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.)

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*  
*5/12/2012*

14 I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Joe Lindemoed

Title Agent

Signature

*Joe Lindemoed*

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**

**SCJ Federal 1  
30-025-31717  
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. On April 12, 2011 operator submitted a sundry and the conditions stated that operator was to have the well online by May 13, 2011 or submit a Plug and Abandonment procedure.**
- 4. Operator submitted another sundry on May 5, 2011, stating that they could not get partner approval, but that they would have well online by June 15, 2011. Operator given until 6/15/2011 with strong warning that Plug and Abandonment was required if well not online by 06/15/2011.**
- 5. On June 21, 2011, operator submitted sundry stating that well went back on production on June 15, 2011. Production details requested for the five days from June 15 – 20, 2011.**
- 6. On July 18, 2011, operator provided production data for 23 day period, but did not specify if the June 15-20, 2011 period was included. Operator was requested to submit additional information, but has not.**
- 7. Received sundry dated August 8, 2011 stating that well was down. Requested timeline for when well would be back online and note to include repair in economic evaluation.**
- 8. October 13, 2011 operator submitted a sundry stating that well was back on production. Well test was requested and operator was to submit an economic evaluation regarding the well's capability of producing in paying quantities. Operator has not submitted any information and well has only been produced 9 days in October 2011 and nine days in November 2011.**
- 9. Operator was issued an Incidence of Non-Compliance on March 20, 2012 requiring operator to submit a Plug and Abandonment procedure.**
- 10. Then on May 1, 2012, operator submitted a sundry to commingle this well with the Powell Federal 1. This request is denied based on well test results.**
- 11. Due to non-compliance issues, Snow Oil and Gas Inc.'s bond shall be reviewed.**