

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.

OCD-HO
AUG 14 2012
RECEIVED

5. Lease Serial No.
NMNM67111

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
WAGNER OIL COMPANY

3a. Address
500 COMMERCE, SUITE 600
FORT WORTH, TEXAS 76102

3b. Phone No. (include area code)
817-335-2222

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

8. Well Name and No.
GERONIMO FEDERAL #10

9. API-Well No.
30-025-31533

10. Field and Pool or Exploratory Area
TONTON, S. (YATES/7 RIVERS)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FNL & 1575' FWL OF SECTION 31, T 19 S, R 33 E UNIT C

11. County or Parish, State
LEA COUNTY, NEW MEXICO

12. CHECK THE 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 type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Workover |
| | <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 recomple 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Pull rods, tbg and pump
Make bit and scraper run to 3140' +/-
Perforate 5 1/2" csg at 3098' - 3104' and 2936' - 2956'
RIH w/ 2 3/8" tbg and set anchor @ 2800' +/-
Swab test to evaluate
Put well to production

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Sabrina Bonner

Title Regulatory Analyst

Signature

Sabrina Bonner

Date 05/02/2012

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

AUG 10 2012

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

WESLEY W. INGRAM
PETROLEUM ENGINEER

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)

AUG 15 2012

WELL COMPLETION SKETCH

DATE 2/9/2006

| WELL | FIELD | LEA COUNTY, NM. |
|--|---|-------------------------|
| Geronimo Federal #10 | Tonto, S. (Seven Rivers/Yates) | |
| <input checked="" type="checkbox"/> PRESENT COMPLETION | <input type="checkbox"/> RECOMMENDED COMPLETION | API#: 30-025-31533 |
| PERMANENT WELL BORE DATA | | DATA ON THIS COMPLETION |

Spud: 03/17/92

Elevation: 3,586' KB
3,577' GL

12-1/4" Hole

8-5/8", 24#, K-55, STC Surface csg @ 507'.
Cmt w/ 315 sxs CI "C"

1" backside // 1200' w/ 150 sx 'C'.

TOC @ ~1200'.

91 jts 2-3/8", 4.7# J-55 tbg

7-7/8" Hole

3/4" Grade 'D' rod String

CIBP @ 3150'

4-1/2" 10.5#, K-55, LTC Csg @ 3,249'.
Cmt w/ 250 sx CI "C"

TD: 3,250'

Yates

Perfs: 2962'- 72', 2978'- 80', & 2988'- 90' (1 spf, 17 holes)
3048', 50', 52', & 3068'- 76' (1 spf, 12 holes)

Seven Rivers

Perfs: 3159'- 66' & 3174'- 90' (1 spf, 25 holes)

Conditions of Approval

Wagner Oil Company

Geronimo Federal - 10

API 30-025-31533

August 10, 2012

1. **Notify Hobbs BLM 575-393-3612 a minimum of 24 hours prior to commencing workover procedures.** If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
2. **Due to well's location in R-111-P potash and the lack of a salt protection string, operator shall perform a BLM PET witnessed (charted) casing integrity test by setting a plug within 100' of the top perforation and testing to 500 psi for 30 minutes.** Pressure leakoff may require remediation before continuing the workover. Include a copy of the chart in the subsequent sundry for this workover.
3. Surface disturbance beyond the existing pad shall have prior approval.
4. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
5. Functional H₂S monitoring equipment shall be on location.
6. A minimum of 2000 (2M) BOPE is to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M) Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
7. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
8. Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test. Include the date(s) of the well work, and the setting depths of equipment. Include current wellbore schematic.
9. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.
10. **Operator shall perform a 72 hour well test using an independent tester to determine if the well can produce in paying quantities.**

11. BLM has no record of the CIBP set above the Seven Rivers perforation. The BLM completion report showed all perforations open, but the report to NMOCD for transport approval showed only the Yates perforations. Submit documentation for BLM files.

PRS/WW1 081012

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.