

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD HOBS

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.

5. Lease Serial No.
NMNM1113422 & NMNM115426

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
Regeneration Energy Corp.

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

8. Well Name and No.
Bill Federal Com #1H

9. API Well No.
30-025-41265

3a. Address
P.O. box 210
Artesia, NM 88211-0210

3b. Phone No. (include area code)
575 736 3535

10. Field and Pool or Exploratory Area
Cinta rojo, Delaware

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
330' FSL 1980' FEL
Sec. 19 T23S R35E

11. County or Parish, State
Lea County, NM

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 Intermediate Cement
	<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 must 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 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.)

Regeneration changed intermediate cement program as follows:

Run Davis Lynch ECP @ 3780'
Cement two stages
1st stage
Lead with 200 sxs Hal "H" @ 12.9 ppg/1.88 yield
Tail in w/ 300 sxs "C" @ 14.8/1.33 yield

2nd stage
Run fluid caliper to check (salt)
Then 100 % excess
Lead w/1100sxs Hal light
Tail in 100 sxs "C" 14.8/ 1.33 yield

HOBS OCD

AUG 07 2013

RECEIVED

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Cemented on August 3, 2013. BLM inspector witnessed. Circulated on both stages to surface.



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

William Miller

Title Landman

Signature

[Handwritten Signature]

Date 08/05/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Petroleum Engineer

Date AUG 13 2013

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

[Handwritten Signature]

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 13 2013

CONDITIONS OF APPROVAL

Date: August 3, 2013

OPERATOR'S NAME:	Regeneration Energy Corp.
LEASE NO.:	NMNM-113422
WELL NAME & NO.:	Bill Federal Com 1H
SURFACE HOLE FOOTAGE:	0330' FSL & 1980' FEL
BOTTOM HOLE FOOTAGE:	0330' FNL & 1980' FEL
LOCATION:	Section 19, T. 23 S., R 35 E., NMPM
COUNTY:	Lea County, New Mexico

Original COA still applies with the following changes, including changes on sundry dated 7/22/2013 and approved by C. Walls

Intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.

1. The minimum required fill of cement behind the 9-5/8 inch intermediate casing, which shall be set at approximately 5160 feet, is:
 1. First stage to DV/ECP tool:
 - Cement to circulate.** If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to Capitan Reef.**
 2. Second stage above DV/ECP tool:
 - Cement to surface.** If cement does not circulate, contact the appropriate BLM office. **Additional cement SHALL be required as excess calculates to Neg 73%. The second stage planned cement submitted to BLM is insufficient to circulate cement to surface.**

Operator will be required to run a CBL at zero psi from TD to surface. Submit CLM to BLM from review. The can be ran before running the 5-1/2 inch production sting.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

EGF 080313



Fernandez, Edward <efernand@blm.gov>

Bill Federal

2 messages

William Miller <wmiller@pvt.n.net>

Mon, Aug 5, 2013 at 3:51 PM

Reply-To: wmiller@pvt.n.net

To: efernand@blm.gov

Mr. Fernandez,

Regeneration respectfully request permission not to run a CBL. A previous typo for the second stage indicated that we were running 110 sxs hal Light and it should have been 1100 sxs. Sorry for the error and the sundry submitted earlier today reflects the 1100 sxs. Thank you

William Miller

Regeneration Energy Corp.

Fernandez, Edward <efernand@blm.gov>

Mon, Aug 5, 2013 at 4:09 PM

To: wmiller@pvt.n.net

William Miller,

Thanks for the up dated information, I concur and approved the decision on to run a CBL as stated on my conditions of approval.

Regeneration Energy has approval not to run a CBL on the 9-5/8" intermediate casing.

Edward G. Fernandez
Petroleum Engineer
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
620 E. Greene St
Carlsbad, NM 88220
Ph: (575) 234-2220
FAX: (575) 234-5927

[Quoted text hidden]