

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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. NMNM022636

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

NMOCD
Hobbs

AUG 29 2014

RECEIVED

1. Type of Well

Oil Well Gas Well Other

7. If Unit of CA/Agreement, Name and/or No. NMNM82050X

8. Well Name and No. Cato Sandres Unit #143

2. Name of Operator

Cano Petro of New Mexico, Inc.

9. API Well No. 30-005-20260

3a. Address

PO Box 4470, Tulsa, OK 74159-0470

3b. Phone No. (include area code)

918-582-0088

10. Field and Pool or Exploratory Area
Cato (San Andres)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit Ltr J: 2305' FSL & 2310' FEL of Sec 23 - T08S - R30E

11. Country or Parish, State
Chaves 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 checked="" 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 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 recomplate 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.)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

To return well to producing status, per BLM Agreement will:

- MIRU well service unit and circulating tank. Fill tank with treated (bactericide) lease water.
- RIH w/skirted mill on 2-3/8" WS (with 3 DC's and bumper sub) to mill out CIBP @ 3488'. Continue milling to clear obstruction (possible 2-7/8" tbg with grapple on top) that could be only 5 ft long & clean-out to PBTD of 3622'.
- Circulate bottoms up for 2 hrs, then POOH w/WS, BHA & mill.
- Pick-up AD-1 type Pkr & RIH on WS to 3550' (no higher than 3538'). Set Pkr & test casing integrity to 500 psig for 30 min. If well does not have integrity, then POOH w/WS & Pkr setting at 100' intervals to find bad casing spot. Make necessary repairs until well will pass an MIT.
- Schedule & perform witnessed MIT by calling BLM - Roswell and NMOCD in Hobbs.
- After well passes MIT, unseat pkr & RIH so EOT is @ 3609'.
- Spot 2500 gal 15% NEFE acid to EOT & POOH w/ tbg to 2000'. Set Pkr & close csg valves to squeeze acid into existing perms.
- Let acid work 2 hrs while noting pressure drop off at regular intervals. After 2 hrs unseat Pkr and lower tbg to 3550' & begin recovering load.
- After recovering load POOH w/WS & Pkr. RIH w/1 jt 2-3/8" tbg bull-plugged as MA, 1 4'X2-3/8" perfed sub, 2" SN & tested 2-3/8" tubing to put EOT @ 3550'.
- RIH w/ 2' gas separator below 1.5" RHTC pump and straight 3/4" rod string & pony rods to seat pump in SN.
- Long stroke pump with rig to assure good pump action.
- Hang well on pumping unit. RDMO well service unit & circulating tank. Hook well to flowline and POP.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

David P. Spencer

Title

Senior Oil and Gas Engineer

Signature

Date

August 13, 2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ISI Angel Mayes

Assistant Field Manager,
Lands And Minerals

Date

8-27-14

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

Roswell Field 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)

SEP 02 2014

Well Bore Schematic

Well: CSAU #143
Field: Cato (San Andres)

Unit Ltr: J: 2305 FSL & 2310 FEL
Sec 23 - T85 - R30E
Chaves County, New Mexico

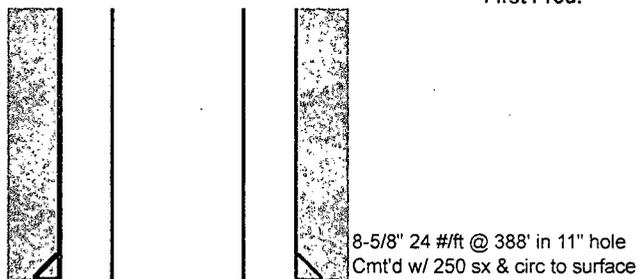
Present: XXXX
Proposed:

Original Elev: GL
KB 4214'

S U R F A C E

API Number: 30-005-20260
Spud Date: 9/3/68
Comp Date: 9/19/68
First Prod:

Lease No. or Type: NMNM022636



Calc TOC = 2455'

CIBP @ 3488'

3588', 3590', 3596', 3598', 3600', 3602',
3604', 3606', 3609' w/ 1 spft

PBTD 3622

4-1/2" 9.5 #/ft @ 3640' w/ 250 sx

TD: 7-7/8" hole @ 3640'

Fish:
Appears to be a small section of 2-7/8" tbg somewhere from 3520 to ?. Were able to get on with 2-7/8" grapples but ran out of money before fished out.

Not to Scale

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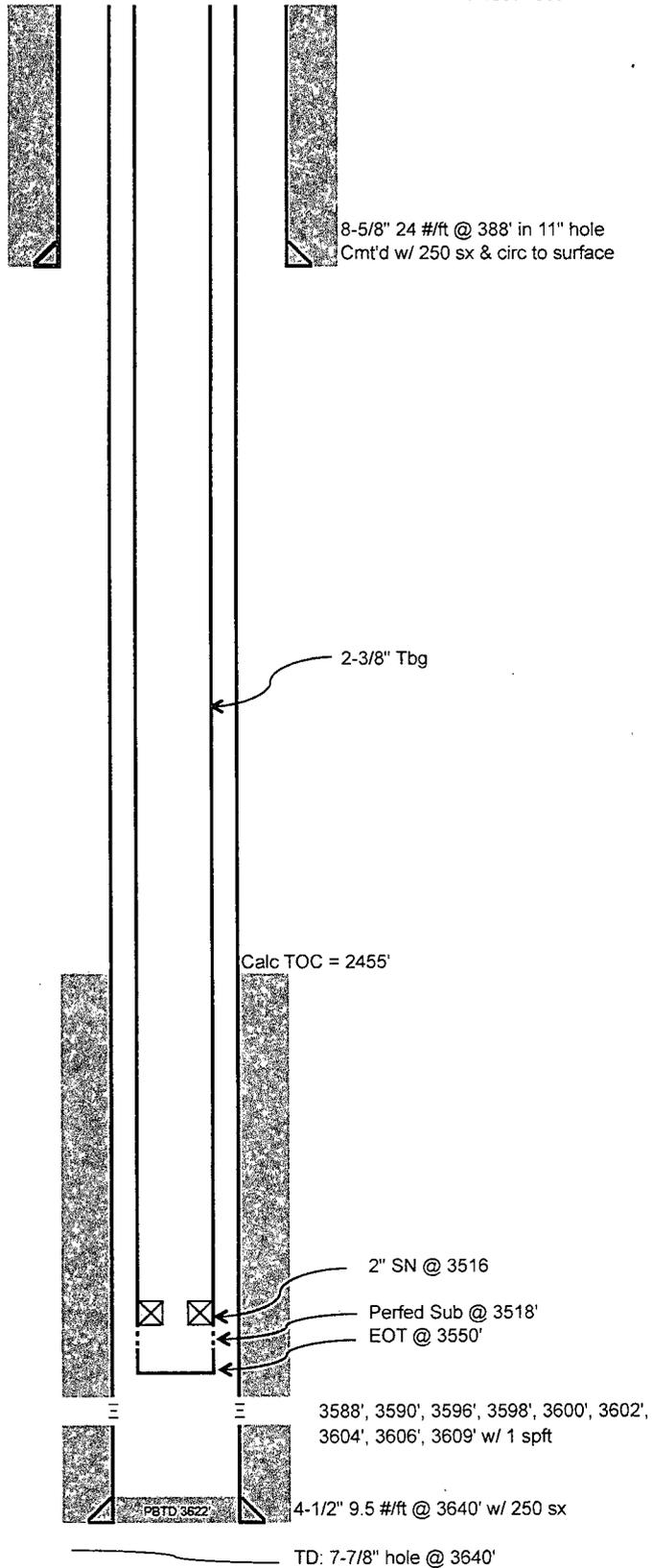
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Sec 23 - T85 - R30E
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Unit No.: NMNM82050X

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Spud Date: 9/3/68
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First Prod:

S U R F A C E



Not to Scale

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
575-627-0272

Contact the BLM Roswell Field Office at least 24 hours prior to the scheduled Casing Integrity Test. **For wells in Chaves and Roosevelt County, during office hours or after office hours call (575) 627-0205.** Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.