

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

HOBBES OCD
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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. NMNM 15016
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No.
2. Name of Operator Cano Petro of New Mexico, Inc.		8. Well Name and No. Exxon Federal #3
3a. Address P.O. Box 4470, Tulsa, OK 74159-0470	3b. Phone No. (include area code) (918) 582-0088	9. API Well No. 30-005-20585
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit Ltr: E 1980' FNL & 1930' FWL Sec 06 - T8S - R31E		10. Field and Pool or Exploratory Area Cato (San Andres)
		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 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 checked="" 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 recomplet 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.)

When Cano Petro of New Mexico, Inc. returns this well to production along with wells on the Amoco Federal Lease (NMNM88748) and a fee lease we intend to build a consolidated tank battery on the fee lease. The construction of the Consolidated battery will be submitted on a separate Sundry Notice, however we need to construct flowlines to this battery which will cross and leave Federal Leases. Under separate notice we are filing the needed SF-299 R-O-W forms. The flowlines will be constructed of 3" SDR Poly Pipe and will use the best standards of construction available. The line will also be hydrostatically tested prior to placement into service.

The flowline for this well will start at the wellhead and head South for about 70' on the existing location and roadway. Then it will turn East about 660' where it will leave the lease to enter the Wattum Federal Lease (non-operated) following the existing roadway. It will continue Eastwardly for the leases width about 1320' again following the existing roadway. It will then re-enter the Exxon Federal Lease once again and continue Eastwardly about 925' following the existing roadway. At this point it will turn Southwardly, following the existing roadway for about 550'. The line is now on a Fee lease Cano operates which will be the location of the Consolidated Tank Battery. At this point the flowline will turn West about 1510' following an existing roadway, then turn South for about 815' following an existing lease road, where it will turn West for about 65' into the new Tank Battery.

This proposed consolidated tank battery will be called the Amoco Federal/Exxon Federal/Graves Battery. This battery will have a separate gun-barrel for seperation of each lease production. Individual wells will be barrel tested quarterly for allocation purposes.

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

Name (Printed/Typed) David P. Spencer	Title Senior Oil & Gas Engineer
Signature 	Date 11/06/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>/s/ Robert Hoskinson</i>	Title Lead PET	Date 11/18/14
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.		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)

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