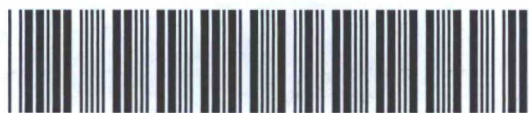# API Well Number Banner

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Report Description

This report shows a Well's API Number in Barcode format for purposes of scanning. The Barcode format is Code 39.

30005200660000

30   5   20066

CATO SAN ANDRES UNIT No.014

CANO PETRO OF NEW MEXICO, INC.

6/7/2010

MAR 0 1 2016

Form 3160-5
(August 2007)

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.
NMNM82050X

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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

1. Type of Well
[✓] Oil Well [ ] Gas Well [ ] Other ✓

8. Well Name and No.
Cato San Andres Unit #14 ✓

2. Name of Operator Cano Petro of New Mexico, Inc. ✓

9. API Well No.
30-005-20066

3a. Address
801 Cherry Street Suite 3200 Fort Worth, TX 76102

3b. Phone No. *(include area code)*
817-698-0900

10. Field and Pool or Exploratory Area
Cato;San Andres

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
C-9-O8S-30E   660 FNL 1980 FWL

11. Country or Parish, State
Chaves County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
[ ] Notice of Intent	[ ] Acidize	[ ] Deepen	[ ] Production (Start/Resume)	[ ] Water Shut-Off
	[ ] Alter Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity
[✓] Subsequent Report	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[✓] Other Waste Remediation
	[ ] Change Plans	[ ] Plug and Abandon	[ ] Temporarily Abandon	
[ ] Final Abandonment Notice	[ ] Convert to Injection	[ ] Plug Back	[ ] 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.)

CSAU014

The following environmental corrective action was undertaken at the repeated request and strict direction of the Oil Conservation Division (Santa Fe). The corrective action per the OCD's criteria consists of the removal and hauling of waste from the well pad to a staging area. Waste includes asphaltenes and stained soil found anywhere on or around the well pad. The removal of stained soil and/or asphaltenes surrounding wellhead and well pipe (regardless of depth and status of well) shall be by use of a backhoe, followed by hauling to a lined, bermed staging area in Cano-owned surface of NW/4 10-8S-30E of Cato Unit pending disposal arrangements. If needed, Cano will shut-in the well, move pumping unit/base and remove underlying soil. Per the OCD's instruction, if waste transport via watercourse (e.g., gully) is evident, removal and sampling will extend off well pad into watercourse. Sampling of soil for analytes per OCD post-excavation soil criteria shall be 250 mg/Kg chloride and background for benzene and TPH. When final removal is done, Cano will complete OCD Verification of Corrective Action Sheet-VCA (3-09-10), submit to OCD and await concurrence. Upon concurrence, emplace new fill, surface with caliche, replace base and pumping unit, and put well back on line.

This work has been partially completed: Cano removed 2 cubic yards soil and hauled to staging area on 2/22/2010. No further excavation will be done without BLM's written authorization. Upon BLM's authorization, Cano will proceed with i) removal of remaining waste, ii) waste management, ii) testing of waste, iv) and backfill excavated areas.
BLM Modify to: Upon BLM's authorization, Cano will proceed with i) removal of remaining waste outside of well pad area, additional archaeological survey may be necessary, contact BLM archaeologist Rebecca Hill at 575-627-0218 ii) waste management, iii) testing of soils where waste has been removed from outside the well pad area iv) and backfill excavated areas.

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

Cindy Chavez

Title Regulatory Coordiator

Signature *[signature]*

Date 05/14/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

/S/ Angel Mayes

Approved by

Title Assistant Field Manager, Lands And Minerals

Date MAY 2 8 2010

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)