

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.****SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-USA 15019
2. Name of Operator United Heritage New Mexico Corp		6. If Indian, Allottee or Tribe Name
3a. Address 200 N. Lorraine, Suite 400, Midland, TX 79701	3b. Phone No. (include area code) 432-686-2618	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 660' FEL, Unit A, Sec 31, T-7-S, R-32-E, NMPM		8. Well Name and No. Cone Federal #1
		9. API Well No. 30-041-20431
		10. Field and Pool, or Exploratory Area Tomahawk San Andres
		11. County or Parish, State Roosevelt, NM

12. CHECK 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recompleat 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

- 1) RIH to 75' above the top perf.
- 2) Set CIBP & Spot 35' Cmt Plug on top of CIBP OR Spot a 25 sx Plug in lieu of CIBP.
- 3) WOC f/4 hrs. RIH and Tag Plug. Pump 9.5 - 10 ppg Mud between Plugs.
- 4) RIH & Perf w/Sqz Shots of 4-JSPF for a 1' Interval anywhere f/2,610' to 2,620'
- 5) Attempt a 45 sx Sqz, If Unable to Sqz, GIH 25' & Spot a 25 sx Cmt Plug.
- 6) WOC f/4 hrs. RIH and Tag Plug. Pump 9.5 - 10 PPG Mud between Plugs.
- 7) RIH & Perf w/Sqz Shots of 4-JSPF for a 1' Interval anywhere f/1,400' to 1,550'
- 8) Attempt a 45 sx Sqz, If Unable to Sqz, GIH 25' & Spot a 25 sx Cmt Plug.
- 9) WOC 4/hrs. RIH & Tag Plug.
- 10) RIH & Perf w/Sqz Shots of 4-JSPF for a 1' Interval 50' below csg shoe inside and outside and 50' above csg shoe inside and outside.
- 11) Attempt a 45 sx Sqz, If Unable to Sqz, GIH 25' & Spot a 25 sx Cmt Plug.
- 12) WOC f/4 hrs. RIH & Tag Plug. Pump 9.5 - 10 ppg Mud between Plugs.
- 13) Spot Cmt f/60' to Surf or 10 sx Plug.
- 14) Cut off Well Head & Cap 3' B.G.L. & Install a Dry Hole Marker.
- 15) Remove all Rig Anchors & Clean Location.



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

Jesse K. Lawson

Title Petroleum Engineer

Signature

Date

02/27/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

PETROLEUM ENGINEER

Date

MAR 01 2007

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

SEE ATTACHED FOR

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 any statement or representation 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)

LOTHIAN OIL, INC.
CONE FEDERAL 1-31
TOMAHAWK SAN ANDRES

Location: 660' FNL & 660' FEL, Unit A, Sec 31, T-7-S, R-32-E
NMPM, Roosevelt County, NM

Elevation: 4,446' GR

TREATMENT HISTORY

Date	Description
10/1/1985	LD 6 jts 2-3/8" tbg. Set RTTS pkr @ 3938'. Complete acid job. Unseat RTTS pkr and TOH and LD same. TIH w/production tbg to 4,133' (7' off of CIBP).
9/30/85	Set CIBP @ 4,140'. Perf'd 4,126', 4,124', 4,123', 4,120', 4,118', 4,116', 4,114', 4,112', 4,111', 4,110', 4,109', 4,108', 4,106', 4,102', 4,100', 4,098', 4,097', 4,096', 4,095', 4,094', 4,093', 4,086', 4,085', 4,078', 4,077', 4,070', 4,069', 4,068', 4,067' - 1 JSPF, total 30 holes.
4/11/77	Perf'd 4,161' 4,174 1/4', 4,176', 4,179-1/2', 4,183' 4,186', 4,189', 4,194' - 2/ft- 8 holes Acidize w/25 bbl 20% DS 30 acid; 16.5 bbl LW; total 41.5 bbls treatment
4/7/77	Perf'd 4,272'- 4,275' - 2/ft - 6 holes Ran 140 jts 2-3/8" tbg, R-5 pkr to TD Acidize w/1000 gal 20% DC 30 acid
3/30/77	Ran 121 jts of 4-1/2", 11.60#. Set Csg @ 4,325'. First stage pump 300 sx of 50/0 Poz, 2% gel, 8% salt, pump plug down. Second stage, open DV tool and pump 300 sx econolite cmt with 10# gilsonite, 1/4# flo-seal/sx.
3/19/77	Ran 9 jts of 8-5/8", 32# Surf csg. Set Csg at 364'. Cmt'd w/ 200 sxs Class C cmt, 2% CaCl2.

PBTD: 4,325'

TD: 4,325'

Remarks:

Federal Lease No.: FED NM-USA 15019

Polish Rod:

Polish Rod Liner:

Pumping Unit:

Spudded: 03/19/77

Completed: 04/22/77

API #: 30-041-20431

11" Hole

Casing:

9 jts of 8-5/8", 32# Surf csg.

Set Csg at 364'.

Cmt'd w/ 200 sxs Class C cmt, 2% CaCl2.

Circ Cmt to surf.

Tubing:

Production string to 4,133' 7' off CIBP

7-7/8" Hole

Perforations:

4,126'-4,067'

1 JSPF, total 30 holes

CIBP @ 4,140

4,161' 4,174 1/4', 4,176', 4,179-1/2', 4,183'

4,186', 4,189', 4,194' - 2/ft- 8 holes

4,272'- 4,275' - 2/ft - 6 holes

Casing:

Ran 121 jts of 4-1/2", 11.60#.

Set Csg @ 4,325'.

First stage pump 300 sx of 50/0 Poz, 2% gel, 8% salt,
pump plug down

Second stage, open DV tool and pump 300 sx econolite cmt
with 10# gilsonite, 1/4# flo-seal/sx.

LOTHIAN OIL, INC.

CONDITION OF HOLE

2/27/07

FIELD: Tomahawk LEASE: Cone Federal WELL NO: 1

LEGAL: 660' FNL & 660' FEL, Unit A, Sec 31, T-7-S, R-32-E, NMPM, Roosevelt Co., NM

API No.: 30-041-20431 SPUD DATE: 03/19/77

FEDERAL LEASE No.: FED NM-USA 15019 COMPLETION DATE: 04/22/77

REASON FOR WORK: To increase production.

CONDITION OF HOLE:

TOTAL DEPTH: 4,325' PBTD: 4,325' KB DATUM: 10' Above: 4,446' GR

CASING RECORD: 9 jts of 8-5/8", 32# Surf csg. Set Csg at 364'.
121 jts of 4-1/2", 11.60#. Set Csg @ 4,325'.

PERFORATIONS: 4,272'- 4,275' - 2/ft - 6 holes

4,161' 4,174 1/4', 4,176', 4,179-1/2', 4,183'
4,186', 4,189', 4,194' - 2/ft- 8 holes

TUBING DETAIL: 140 2-3/8" set @ 4,281'

Wellhead Model, Type & Rating:

Pumping Unit:

ROD & PUMP DETAIL:

Rod Pump:

Polish Rod:

Pol Rod Liner:

REGULATORY REQUIREMENTS:

WELL HISTORY:

3/19/77 Spud Well for Sundance Oil Company with WEK Drlg company w/11" hole to 381'

Original Well Name: Cone Federal #1-31

Ran 9 jts of 8-5/8", 32# Surf csg. Set Csg at 364'.

Cmt'd w/ 200 sxs Class C cmt, 2% CaCl2.

3/30/77 Drilled 7-7/8" Hole to TD @ 4,325'.

Ran 121 jts of 4-1/2", 11.60#. Set Csg @ 4,325'.

First stage pump 300 sx of 50/0 Poz, 2% gel, 8% salt, pump plug down

Second stage, open DV tool and pump 300 sx econolite cmt with 10#

gilsonite, 1/4# flo-seal/sx.

- 4/7/77 Perf'd 4,272'- 4,275' - 2/ft - 6 holes
Ran 140 jts 2-3/8" tbg, R-5 pkr to TD
Acidize w/1000 gal 20% DC 30 acid
- 4/9/77 IP - pump w/flow intermittently - 24 hrs, 80 BO
- 4/11/77 Perf'd 4,161' 4,174 1/4', 4,176', 4,179-1/2', 4,183'
4,186', 4,189', 4,194' - 2/ft- 8 holes
Acidize w/25 bbl 20% DS 30 acid; 16.5 bbl LW; total
41.5 bbls treatment
- 4/12/77 Ran bridge plug @ 4,226.79'
Start treatment, Max psi 1850#, Min psi 1000#, Avg psi 1500#
Avg treating rate 2.5 BPM on flush 3.0 BPM. Avg treatment 2.7 BPM rate, ISDP
vacuum. Swab back treatment 41.5 bbls, started well to flowing.
Well flowing @ 17 bbls per hour rate.
- 5/25/78 Well Name Change: From Cone Federal #31-1 to Cone Federal #1
- 7/20/84 Change of Company Name to Sundance Oil Exploration Company
- 12/1/84 Change of Ownership: Murphy Operating Corp of Roswell, NM bought the well.
- 9/30/85 Set CIBP @ 4,140'.
Perf'd 4,126', 4,124', 4,123', 4,120', 4,118', 4,116', 4,114', 4,112', 4,111', 4,110', 4,109'
4,108', 4,106', 4,102', 4,100', 4,098', 4,097', 4,096', 4,095', 4,094', 4,093', 4,086'
4,085', 4,078', 4,077', 4,070', 4,069', 4,068', 4,067' - 1 JSPF, total 30 holes.
- 10/1/85 TIH w/production string to 4,133' (7' off CIBP)
- 11/01/95 Change of Ownership: Secondary Oil Corp. of Marble Falls, TX bought the well.
- 12/01/97 Change of Ownership: Sierra Blanca Operating Co. of Cleburne, TX bought the well.
- 12/27/05 Lothian Oil Bought the Well.

BUREAU OF LAND MANAGEMENT

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
(505) 627-0272

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon. **If you are unable to plug the well by the 90th day provide the appropriate BLM office, prior to the 90th day, with the reason for not meeting the deadline and a date when the appropriate BLM can expect the well to be plugged. Failure to do so will result in enforcement action.**
2. Notification: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call (505) 627-0272, in Eddy County call (505) 361-2822; for wells in Lea County call (505) 393-3612.
3. Blowout Preventers: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.
4. Mud Requirement: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
5. Cement Requirement: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.
6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).
7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

Following the submittal and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval shall be developed and furnished to you.