OCD-HOBBS

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FORM APPROVED OM B No 1004-0137 Expires March 31, 2007 Form 3160-5 UNITED STATES (February 2005) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5 Lease Senal No SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE- Other instructions on reverse side. 8910124040 Oil Well 🗆 Gas Well□□ **✓** Other Well Name and No RHODES YATES UNIT #4 WIW 2 Name of Operator SMITH & MARRS, INC. API Well No 30-025-25217 3b Phone No (include area code) 3a. Address P.O. BOX 863 KERMIT, TX 79745 432-586-3076 10 Field and Pool, or Exploratory Area RHODES YATES SEVEN RIVERS 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11 County or Parish, State UNIT LETTER "A", SEC 28. T-26S, R-37E, NMPM 560' FNL 660' FEL LEA COUNTY, NEW MEXICO 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Acıdıze Production (Start/Resume) Deenen Notice of Intent ✓ Well Integrity Alter Casing Reclamation Fracture Treat Casing Repair New Construction Recomplete Other Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Water Disposal Convert to Injection 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/BlA 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 305678970777 determined that the site is ready for final inspection) SEE ATTACHMENT make sure the State is notified when an mit is being run on an expection well, so the test can be witnessed. 48 his notice needed. Chies Williams 14. Thereby certify that the foregoing is true and correct Name (Printed/Typed) Title SECRETARY **JERBLJENNINGS** ACCEPTED FOR RECORD Signature Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE OC DISTRICT SUPERMISOR/GE 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 Office which would entitle the applicant to conduct operations thereon PETROLEUM ENGINEER 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 states any false, fictitious or fraudulent statements or representations as to any matter within its jurisde in 2 7 200 any department or agency

MAYO MARRS CASING PULLING INC

Lease ⁻ Project ATTN	BC OPERATING RHODES YATES UNIT # 4 WIW MIT Mike Black	FAX# PUSHER - BID = Tracking#	JUAN RAMERIZ Hourly 07-5542-4			
3/26/2007 8 HRS SAFETY MEETING -MI RU EQUIPMENT - RU KILLTRUCK - DID NOT ACHIEVE CASING TEST COMUNICATED WITH 8 5/8" CASING - ND WELL HEAD - NU BOP- RELEASE PACKER - SDFD						
1 1 1 2	BHRS RIG CONSULTANT CREW TRAVEL TIME Steel Pits per well Killtruck / hr Water truck priced per load BRINE (Stays on location @ all times)		\$262 00 \$500 00 \$150 00 \$750.00 \$100 00 \$500 00	\$2,096 00 \$500 00 \$150 00 \$750 00 \$200 00 \$500 00		
Total Daily Cost =	\$4,196 00					
3/27/2007 11 HRS SAFETY MEETING -ND WELLHEAD - NU BOP - RELEASE PACKER - POH SWABBING WELL WITH PACKER INTO STEEL PIT - RIH WITH PACKER TO TEST CASING @ 832' - 576' - POH - RIH WITH RBP TO 3080' - POH - FLUID STATIC @ 896' - SDFD						
308	I HRS RIG I CONSULTANT I CREW TRAVEL TIME I B O P for 2 3/8" and 2 7/8" (5 DAYS) 6 Killtruck / hr I 4 1/2, 5 1/2 and 7" tension packers per well D 2 3/8" Work String/ft D Miles Delivery charge (Work String)		\$262.00 \$500 00 \$150 00 \$550.00 \$100 00 \$350 00 \$0.20 \$3 00	\$2,882 00 \$500 00 \$150.00 \$550.00 \$600.00 \$350 00 \$616 00 \$90 00		
Total Daily Cost =	\$9,934.00					
3/28/2007 9 HRS OPEN WELL - RIH WITH PACKER TO 531' - TEST TO 500# - SET PACKER @ 708' - NO TEST - POH - TIH OPEN ENDED TO 767' - LOAD 5 1/2" AND 8 5/8" CASING - SQUEEZE AND SPOT 85 SACKS - POH - DISPLACE CEMENT TO 450' DOWN CASING - WOC - SDFD						
	9 HRS RIG 1 CONSULTANT 1 CREW TRAVEL TIME 1 Water truck priced per load BRINE (Stays on location @ all times) 1 Pump Truck 5 Day Initial Charge 1 Water truck priced per load FRESH (Stays on location) 5 Cement per sack (CLASS C)		\$262 00 \$500.00 \$150.00 \$500.00 \$2,500 00 \$300.00 \$13.00	\$2,358.00 \$500.00 \$150.00 \$500.00 \$2,500.00 \$300.00 \$1,105.00		
Total Daily Cost =	\$17,347.00					
	12 HRS G - OPEN WELL - RU REVERSE UNIT - TST CASING TO 500# - PU MM - FELL THRU - TEST CASING TO 500# - POH - PU RETRIEVING TOOL -					
	2 HRS RIG 1 CONSULTANT 1 CREW TRAVEL TIME 1 REVERSE UNIT PACKAGE / DAY		\$262.00 \$500 00 \$150 00 \$750 00	\$3,144.00 \$500.00 \$150.00 \$750.00		
Total Daily Cost =	\$21,891.00					
3/30/2007 SAFETY MEETIN	3 HRS G - DRIVE TO LOCATION - WAIT ON WIND AND RAIN- CREW WENT H	OME - SDFD				
	3 HRS RIG 5 CONSULTANT 1 CREW TRAVEL TIME		\$262 00 \$500.00 \$150 00	\$786.00 \$250 00 \$150 00		
Total Daily Cost =	\$23,077 00					

4/9/2007 11 HRS SAFETY MEETING - RIH AND CIRCULATE PLUGGING MUD - ND BOP- NU WELLHEAD - RU PUMP AND CHART - RUN CHART @ 560# FOR 30 MINUTES - TESTED GOOD - RIG DOWN - CLEAN OUT REVERSE TANK - CLOSE IN WELL - SDFD

11 HRS RIG	\$262 00	\$2,882 00
1 CONSULTANT	\$500 00	\$500 00
1 CREW TRAVEL TIME	\$150 00	\$150 00
2 Killtruck / hr	\$100 00	\$200 00
1 Water truck priced per load BRINE (Stays on location @ all times)	\$500 00	\$500 00
1 Chart Recorder / well / day	\$250 00	\$250 00

Total Daily Cost =

\$27,559 00

