

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 type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Serial No NMNM03318
2 Name of Operator Manhattan Petroleum, Inc.		6 If Indian, Allottee or Tribe Name
3a Address P.O. Box 35888, Tulsa, OK 74153-0888	3b. Phone No (include area code) 918-621-6533	7 If Unit or CA/Agreement, Name and/or No
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) O Sec 29-T9S-R38E 660' FSL & 1980' FEL		8. Well Name and No Gulf Federal #1
		9 API Well No. 30-025-07071
		10 Field and Pool, or Exploratory Area Sawyer San Andres <Assoc>
		11 County or Parish, State Lea

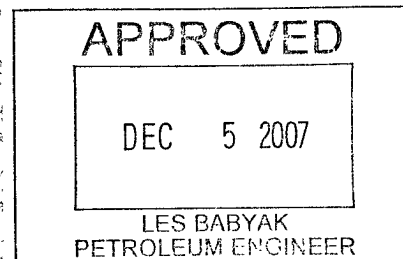
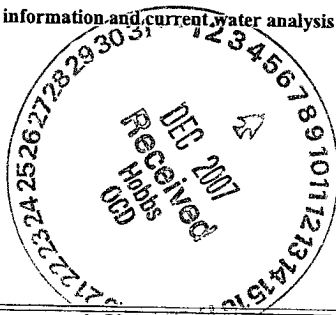
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" 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 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 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.)

Request for approval of water disposal filed in response to BLM request.

Additional information and current water analysis attached.

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

Connie Swan

Title Regulatory Administrator

Signature

C Swan

Date

11/26/2007

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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.

Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER

Title

Date

DEC 26 2007

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)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13* - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

**PRINCIPAL PURPOSE:** The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c); and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

**ROUTINE USES:** Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

**EFFECT OF NOT PROVIDING THE INFORMATION:** Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240

Bureau of Land Management  
Received  
DEC 04 2007  
Hobbs Field Office

BUREAU OF LAND MGMT.  
HOBBS, NEW MEXICO

2007 NOV 30 P 3:10

RECEIVED  
Form 3160-5, page 2)

**Attachment to Sundry Notice 3160-5 Notice of Intention for Water Disposal Approval**  
**Gulf Federal #1**  
**API No. 30-025-07071**

1. Formation producing water on the lease: **San Andres**
2. Amount of water produced in barrels per day: **8.5 bbls/day in Oct07**
3. Water analysis report attached: **Lab ID Sep1404.001-13**
4. How water is stored on the lease: **Fiberglass tank**
5. How water is moved to the disposal facility: **Tank truck**
6. Identify disposal facility by
  - a. Operator's name: **State Line Trucking**
  - b. Well name: **Reed Estate #1**
  - c. Well type and well number: **Commercial Disposal**
  - d. Location :  
**467' FNL & 2130' FWL**  
**Sec 41 Harrison & Brown Survey**  
**Abstract 46**  
**Cochran County, Texas**  
**RRC Injection Permit No. 10658**

# Permian Treating Chemicals

## WATER ANALYSIS REPORT

**SAMPLE**

Oil Co.: Horseshoe Operating  
 Lease: Gulf Federal  
 Well No.: #5 and #1  
 Location:  
 Attention:

Date Sampled:  
 Date Analyzed: 14-September-2004  
 Lab ID Number: Sep1404.001-13  
 Salesperson:

**ANALYSIS**

File Name: F:\ANALYSES\Sep1404.001

1. Ph 6.010
2. Specific Gravity 60/60 F. 1.160
3. CAC03 Saturation Index (at 80F 1.273  
(at 140F 3.393)

**Dissolved Gases**

4. Hydrogen Sulfide
5. Carbon Dioxide
6. Dissolved Oxygen

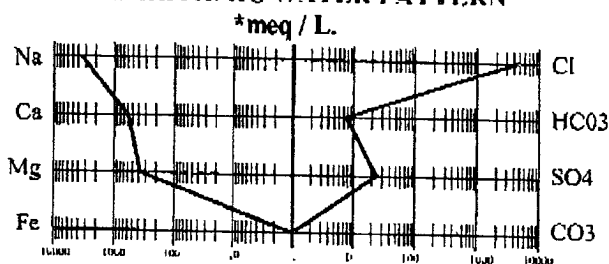
MG/L.	EQ. WT.	*MEQ/L.
Not Present		
Not Determined		
Not Determined		

**Cations**

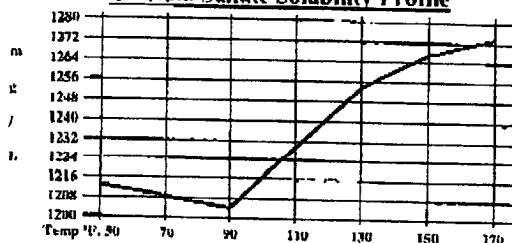
- |                              |                |          |          |
|------------------------------|----------------|----------|----------|
| 7. Calcium (Ca++)            | 11,623         | / 20.1 = | 578.26   |
| 8. Magnesium (Mg++)          | 4,315          | / 12.2 = | 353.69   |
| 9. Sodium (Na+) (Calculated) | 76,474         | / 23.0 = | 3,324.96 |
| 10. Barium (Ba++)            | Not Determined |          |          |

**Anions**

- |                                      |                    |          |          |
|--------------------------------------|--------------------|----------|----------|
| 11. Hydroxyl (OH+)                   | 0                  | / 17.0 = | 0.00     |
| 12. Carbonate (CO3=)                 | 0                  | / 30.0 = | 0.00     |
| 13. Bicarbonate (HCO3-)              | 454                | / 61.1 = | 7.43     |
| 14. Sulfate (SO4=)                   | 1,150              | / 48.8 = | 23.57    |
| 15. Chloride (Cl-)                   | 149,966            | / 35.5 = | 4,224.39 |
| 16. Total Dissolved Solids           | 243,982            |          |          |
| 17. Total Iron (Fe)                  | 5                  | / 18.2 = | 0.27     |
| 18. Total Hardness as CaCO3          | 46,792             |          |          |
| 19. Resistivity @ 75 F. (Calculated) | 0.001 Ohm · meters |          |          |

**LOGARITHMIC WATER PATTERN****PROBABLE MINERAL COMPOSITION**

COMPOUND	EQ. WT.	X	*meq/L =	mg/L.
Ca(HCO3)2	81.04	7.43		602
CaSO4	68.07	23.57		1,604
CaCl2	55.50	547.26		30,373
Mg(HCO3)2	73.17	0.00		0
MgSO4	60.19	0.00		0
MgCl2	47.62	353.69		16,843
NaHCO3	84.00	0.00		0
NaSO4	71.03	0.00		0
NaCl	58.46	3,323.44		194,288

**Calcium Sulfate Solubility Profile**



# RAILROAD COMMISSION OF TEXAS

## OIL AND GAS DIVISION PERMIT TO DISPOSE OF NON-HAZARDOUS OIL AND GAS WASTE BY INJECTION INTO A POROUS FORMATION NOT PRODUCTIVE OF OIL AND GAS

PERMIT NO. 10658, AMENDED

STATE LINE TRUCKING, INC.  
P O BOX 520  
LEVELLAND TX 79336

Based on information contained in your application (Form W-14) dated April 6, 2006, you are hereby authorized to dispose of oil and gas waste into your well designated as follows:

Reed Estate Lease, (67650), Well No. 1, Levelland Field, Cochran County, RRC  
District 8A

Authority is granted to inject in accordance with Statewide Rule 9 of the Railroad Commission of Texas and subject to the following special and standard conditions:

### SPECIAL CONDITIONS:

1. Oil and gas waste shall only be injected into strata in the subsurface depth interval from 5200 feet to 10300 feet.
2. The injection volume shall not exceed 3000 barrels per day.
3. The maximum operating surface injection pressure shall not exceed 2600 psig.
4. The authority to dispose of oil and gas waste is limited to the disposal of salt water.

### STANDARD CONDITIONS:

1. Injection must be through tubing set on a packer. The packer must be set no higher than 100 feet above the top of the permitted interval.
2. The District Office must be notified 48 hours prior to:
  - a. running tubing and setting packer;
  - b. beginning any workover or remedial operation;
  - c. conducting any required pressure tests or surveys.
3. The wellhead must be equipped with a pressure observation valve on the tubing and for each annulus.

4. Prior to beginning injection and subsequently after any workover, an annulus pressure test must be performed. The test pressure must equal the maximum authorized injection pressure or 500 psig, whichever is less, but must be at least 200 psig. The test must be performed and the results submitted in accordance with the instructions of Form H-5.
5. The injection pressure and injection volume must be monitored at least monthly and reported annually on Form H-10 to the Commission's Austin office.
6. Within 30 days after completion, conversion to disposal, or any workover which results in a change in well completion, a new Form W-2 or G-1 must be filed in duplicate with the District Office to show the current completion status of the well. The date of the disposal well permit and the permit number must be included on the new Form W-2 or G-1.
7. Written notice of intent to transfer the permit to another operator must be submitted to the Commission at least 15 days prior to the date the transfer will occur by filing Form P-4.
8. Unless otherwise required by conditions of the permit, completion and operation of the well shall be in accordance with the information represented on the application (Form W-14).
9. This permit will expire when the Form W-3, Plugging Record, is filed with the Commission.

Provided further that, should it be determined that such injection fluid is not confined to the approved strata, then the permission given herein is suspended and the disposal operation must be stopped until the fluid migration from such strata is eliminated.

APPROVED AND ISSUED ON April 26, 2006.

NOTE: Amends permit dated October 10, 1997.  
Amends the maximum surface injection pressure  
from 2000 psig.

*Steven J. Seni*

Steven J. Seni, Ph.D.  
Assistant Director, Environmental Services

PERMIT NO. 10658  
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