

OCD-HOBBS

Form 3160-5
(April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM 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
☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator
 Finley Resources, Inc.

3a Address
 1308 Lake Street, Ste. 200, Fort Worth, TX 76102

3b Phone No. (include area code)
 817-336-1924

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
 1980' FNL & 660' FEL of Section 27 - 20S - 36E
 Unit H

5 Lease Serial No

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No

8 Well Name and No
 Federal D #3

9 API Well No
 30-025-04352

10 Field and Pool, or Exploratory Area
 Eumont (Y-7R-Q)

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 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 recompleat 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.)

With 1" coil tubing, spot 100' cmt plug from .3900' to 3800'. Spot 100' cmt plug from 2000' to 1900'. Rig up to run coil tubing down 7" x 9 5/8" annulus. Spot 100' cmt plug from 350' to 250'. Return to 7" csg. Spot 100' cmt plug inside 7" from 350' to 250'. Set surface plug to 3' from surface. Cut off csg strings. Weld dry hole marker. Clean location and notify OCD for inspection.

RECEIVED

MAR 10 2008

HOBBS OCD

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Crystal Martinez

Title Production Analyst

Signature

Date

11/26/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

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

APPROVED

NOV 29 2007

WESLEY W. INGRAM

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 Federal, State, or local government, or to any person in the service of any such government, any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Federal D #3

1980' FNL, 660' FEL, Sec 27H

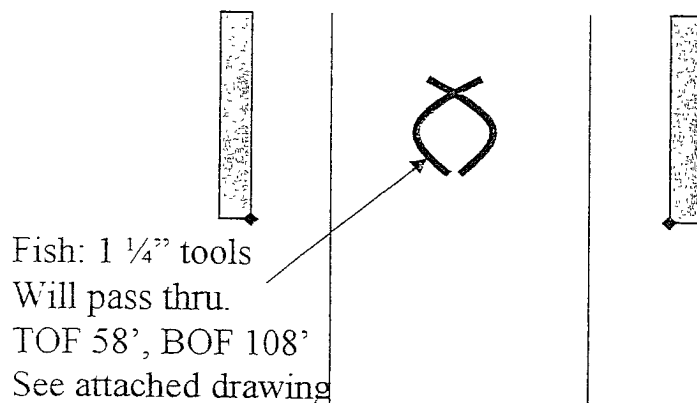
T20S, R36E Lea Co., NM

Eumont Field completion Date: 9/18/54

KB 3592' (12,2')

API # 30 025 04352

NM ID 1150036



9 5/8" @ 305' w/ 300 sx. Circ.

Status Active

Alten D40A-36

12 spm, 36", 10 hp EM

5.5" x 17" sheaves

3-B136 belts, 28 4 gear ratio

Unknown fill/fish @ 3911'
Unable to drill

CIBP pushed to
4068'

Current
11/07

Stimulation

9/54 7000 gal oil, 7000# sd

7/55 20000 gal oil, 20000# sd

Yates 7 Rivers Queen Perfs:

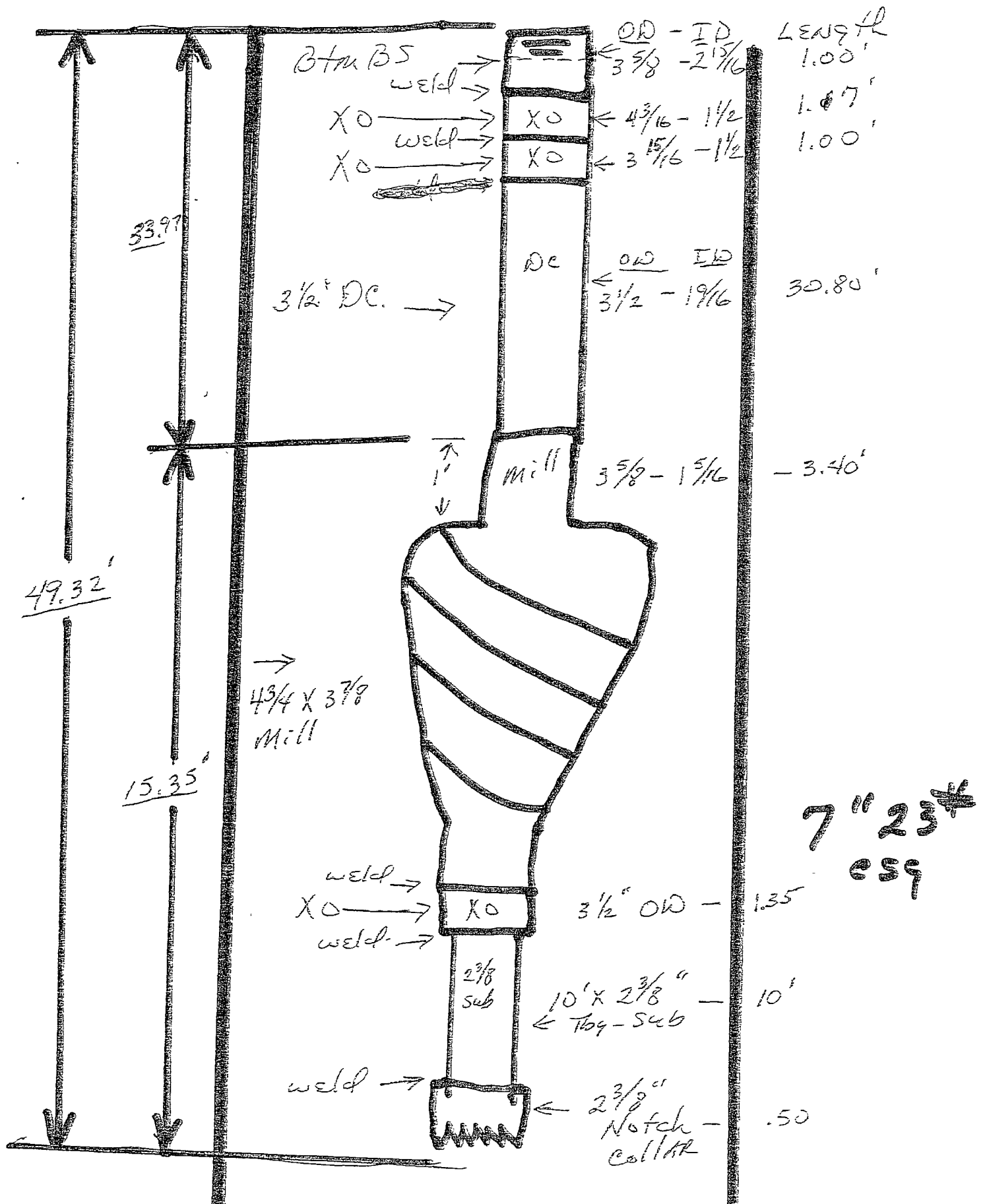
3912-4000' (352 bullets)

Penrose Perfs:

4012-60'. Swb 250 bo, 25 bw

7", 23#, J-55 @ 4075' w/ 800 sx, TOC 2351' (TS)

FEDERAL 'D' #3



Finley Resources Inc.		Operations Report		Area Mgr	Jim Nance	214 763-6092
FEDERAL "D" #3				Area Super	Bill Shockley	
LEA, COUNTY				Site Supt		
				Rig		PHONE #
DATE	ACTIVITY	Foreman	DAILY COST	CUM COST		
	TEST CSG		\$0			
10/31/07	MIRU Basic Well Service (Victor Dominguez - Operator). R & S move in pipe trailer w/ 2-3/8" tbg. NDWH NU BOP [ABC]. RIH w/ 7" tension pkr [Hudson Packer Co.]. XO. SN. 114 jts 2-3/8" tbg & set pkr @ 3466'. Key pump truck load back side w/ 4-1/2 bbls FW Run chart & test csg to 500#. Lost 10# in 30 min. Hook up to tbg & load tbg. Pressure to 1000# w/ no rate. Pressure to 1500# w/ no rate. Pressure to 2000# w/ 800# loss of pressure down to 1200# in 2 min. Hold @ 1200# for 2 min. Call Bill Shockley & decision made to POH w/ pkr. POH w/ pkr. Prep to RIH w/ open ended tbg in a.m. SDFN	JGW	\$8.775	\$8,775		
11/01/07	CTL. RIH w/ 2-3/8" tbg open ended & tag @ 3911' [Top perf @ 3912'] POH w/ tbg RIH w/ 4-3/4" bit. XO on 2-3/8" tbg & tag @ 3611'. Rotate bit - torque up - unable to make any hole. POH w/ tbg & bit RIH w/ 6-1/8" bit. XO on 2-3/8" tbg. Bit make 1/4 turn @ 3513' & stack out @ 3517'. Rotate bit - torque up - unable to make any hole. Call Bill Shockley & decision made to attempt to C/O w/ 4-3/4" bit to PBTD w/ Reverse Unit. POH w/ tbg & bit. SDFN.	JGW	\$6.175	\$14,950		
11/02/07	CTL. RIH w/ 18 jts 2-3/8" tbg & POH lay down same. RIH w/ new 4-3/4" bit. XO. 6 3-1/2" DC's. on 2-3/8" tbg to 3522'. ABC set in steel pit & Key trucking load pit w/ 120 bbls wtr. Set in pump. Prep to C/O w/ 4-3/4" bit Mon a.m. SDFN.	JGW	\$5,975	\$20,925		
11/03/07	SDFWE		\$60	\$20,985		
11/04/07	SDFWE		\$60	\$21,045		
11/05/07	CTL. Finish RIH w/ bit. Tag @ 3611' Drlg to 3655'. [44'] Recover scale & metal shavings. RIH from 3655' to 3864' w/ bit [209']. Tag @ 3864' Drlg to 3874' [10']. Bit torque up. Recover some scale & metal cuttings. Work down to 3884' [10'] Pull bit back above 3864' to work out tight spot. Bit torque up & stick. Pull 70,000# to pull bit out. Bit dragging 10 to 30 pts over string weight until 300' from surface, then drag quit. Finish POH w/ no recovery of what was on top of bit. Skirts on bit mashed in. Out side teeth worn. Shanks worn. Call Bill Shockley & decision made to run string mill SDFN.	JGW	\$7.735	\$28,780		
11/06/07	CTL. RIH w/ 2-3/8" notch collar. 2-3/8" x 10' tbg sub. XO. 3-7/8" x 4-3/4" 360 string mill, 6 3-1/2" DC's. on 2-3/8" tbg. Tag @ 3760' w/ notch collar & mill @ 3748'. Must be part of junk pulled up hole. Mill & wash from 3760' to 3818' w/ notch collar & mill @ 3806'. [Made total of 58'] Chasing & milling on junk. Last 2-1/2' took 2 hrs Looks like junk stopped going down hole. Milling w/ 1 to 2 pts on mill. Mill torque up Getting metal cutting in returns. Circ hole clean. Pull up 1 jt. Close BOP & SDFN.	JGW	\$8.935	\$37,715		
11/07/07	CTL. Mill from 3818' w/ notch collar & mill @ 3806' to 3875' w/ notch collar & mill @ 3863'. [57']. Mill torque up unable to make any hole. Not getting much metal in returns. Tooth off notch collar circ up. Circ hole clean & pull tbg 57' & tubing stuck. Would not go down pull 70,000# on tbg & work up hole 10' Notch collar @ 3808. Mill @ 3796' & top of DC's @ 3615'. RU Rotary Wire Line. Free point DC's @ 3735' 100% Free. Call Bill Shockley & decision made to back off 2 collars above mill. Back off @ 3733' POH Lay down 2-3/8" tbg. Prep to POH w/ 4 DC's in a.m. SDFN.	JGW	\$11.310	\$49,025		
11/08/07	CTL. Finish lay down 2-3/8" tbg. POH w/ 4 DC's Lay down DC that string shot was in. R & S Rstb move & unload 2-3/8" tbg to Fed "D" 12 Forklift set tbg racks & help move 135 jts 2-7/8 J-55 tbg to well. Pick up & RIH w/ 1 3-1/2" DC. BS. Jars. 5 3-1/2" DC's. XO on 2-7/8" tbg. Tag TOF @ 3733'. Rev circ tbg w/ 50 bbls Pump down tbg to clear TOF DC box. Screw in box. Start jarring on fish 60,000# to 65,000# over string weight. Fish moving up hole. Jars quit after 20 min. Work tbg to 90,000# & beat down on fish. No movement down. Total movement of 30' up hole. Left 90,000# pulled on fish. SDFN.	JGW	\$10.935	\$59,960		

Operations Report

	FEDERAL "D" #3	Area Mgr	Jim Nance	214 763-6092
	LEA. COUNTY	Area Super	Bill Shockley	
		Site Supt		
		Rig		PHONE #
DATE	ACTIVITY	Foreman	DAILY COST	CUM COST
11/09/07	CTL. Lost 10 pts on pull on fish. Beat down & pull on fish. Start moving down hole. Move total 50' down hole. Start working tbg up hole pulling 30,000# to 90,000#. Pull top of mill to 90' from surface. NDBOP. Pull & lay down 1 DC. Jars & BS. Pull on DC & stick Mill & 76' from surface. NUBOP & change 2-7/8" rams to 3-1/2". SDFN.	JGW	\$7,125	\$67,085
11/10/07	SDFWE		\$75	\$67,160
11/11/07	SDFWE		\$75	\$67,235
11/12/07	CTL. Pick up XO. 4-3/4" BS. 1 4-3/4" DC. XO w/ 2-7/8" tbg sub on top. Screw in top of 3-1/2" DC sticking 20' in air. Beat down on stuck fish for 1 hr w/ no movement. Will not rotate to the right. Only have 20" stroke on BS. Call Bill Shockley & decision made to back off 2 3-1/2" DC's. RU Rotary Wire Line. Back off 2 3-1/2" DC's & lay down same. [1 3-1/2" DC. 4-3/4" mill. XO. 2-3/8" x 10' tbg sub w/ notch collar on bottom left in hole] TOF @ 40' from surface. Prep to run BS w/ 6' stroke & 2 4-3/4" DC's in a.m. SDFN.	JGW	\$7,850	\$75,085
11/13/07	CTL. Pick up 2 XO's, BS. 2 XO's 2 4-3/4" DC's & screw in TOF @ 40' from surface. Beat down on stuck mill. Move down hole 30'. Able to pull up hole 15' & lock up. Hook up swivel. Rotate DC's. Torque up & stall out on movement up or down. On pull up have to beat fish back down. Mill (4-3/4") located @ 100' from surface & TOF (3-1/2" DC located 70' from surface.) SDFN.	JGW	\$7,450	\$82,535
11/14/07	CTL. Rotate DC's. Work up hole 4'. Torque up & stop. Beat down on mill. Back to 100' from surface. Have movement of 15'. [Drag on pull up & have to beat back down.] ND swivel. Pull mill to 85' from surface. Rotary Wire line attempt to back off DC in top of mill. Bumper sub unscrew. POH w/ 2 4-3/4" DC's. 2 XO's. top part of bumper sub w/ mandrel. [Mandrel has groves cut around it from rotating against metal?] Left 3-5/8" btm of BS looking up. Prep to RIH w/ OS in a.m. SDFN.	JGW	\$8,850	\$91,385
11/15/07	CTL. RIH w/ 5-3/4" OS w/ 3-5/8" grapple & tag @ 43' from surface. Work down to 45' FS. POH w/ OS & RIH w/ 4-11/16" OS. [Marks on btm of lip guide on 5-3/4" OS.] Tag @ 50' FS & work down to 58' FS. [TOF should be @ 60' FS] Unable to work 4-11/16" OS over fish. POH w/ OS. [Btm lip of OS had marks on outside of body and slight ground flat due to rotation trying to latch on fish. No marks on inside of grapple.] RIH w/ 6" x 5-1/2" Kut-rite shoe. 5-1/2" x 10' short WP. Top Bushing. [Able to cover 14'] 2 4-3/4" DC's. NU stripper head & swivel. While breaking circ water started coming out surface csg [Hole in csg could have happened while rotating & working 4-3/4" mill attempting to POH earlier.] RIH w/ shoe & tag @ 43'. Wash over & mill from 43' to 58'. Last foot took 2 hrs. Rec steel cuttings in returns. POH w/ Shoe. [Btm of shoe had some wear on outside & inside. Top bushing (Has Kut-rite on it) had marks inside 2" ID showed something running inside.] Looks like TB bottom out on something sticking up above fish. [Slab of csg brought up from btm of hole?] Prep to RIH w/ Shoe & 1 jt 5-1/2" WP to be able to cover 32' of junk. SDFN.	JGW	\$10,850	\$102,235
11/16/07	CTL. Pick up & RIH w/ 6" x 5-1/2" Kut-rite shoe. 1 jt 5-1/2" WP. TB. 2 jts 4-3/4" DC's. NU stripper head & power swivel. Tag w/ shoe 43' from surface. Rotate off & tag up @ 58' from surface. Rotate shoe. Make 2' from 58' to 60'. Stick shoe & take 20 pts over string weight to pull free. Went back to rotating shoe. Lost 2' -back to 58' from surface. Not making any hole or recovering any metal in returns. ND power swivel & stripper head. Shoe had some wear on outside. All Kut-rite gone on btm of shoe & inside shoe polished smooth. Looks like trying to go over something. Prep to run shoe in Monday a.m. SDFN.	JGW	\$7,250	\$109,485
11/17/07	SDFWE		\$75	\$109,560
11/18/07	SDFWE		\$75	\$109,635

Operations Report

		Area Mgr	Jim Nance	214 763-6092
FEDERAL "D" #3		Area Super	Bill Shockley	
LEA, COUNTY		Site Supt		
		Rig		PHONE #
DATE	ACTIVITY	Foreman	DAILY COST	CUM COST
11/19/07	CTL. Pick up & RIH w/ 6" x 5-1/2" Kut-rite shoe. 1 jt 5-1/2" WP. TB. 2 jts 4-3/4" DC's. NU stripper head & power swivel. Tag w/ shoe 43' from surface. Rotate off & tag up @ 58' from surface. Rotate shoe. Make 3" & torque up. Returns has metal & Kut-rite ND stripper head & power swivel. RU Rotary Wire Line. RIH w/ 1-7/16" collar locator & tag up @ 58' from surface. Work tool to 92' from surface - Top of 4-3/4" mill. POH w/ tool & RIH w/ 7/8" Bar & could not get past 58' - TOF. POH w/ bar. POH w/ DC's. WP & shoe. Kut-rite wiped out on bum & inside of shoe. RIH w/ 1-7/16" collar locator in side 7" csg & found collar 8' & 38' from surface. Tag @ 58'. [Looks like csg joint = approx 30']. RIH w/ 3-1/2" x 2-7/8" tbg collar on 1 stand of 2-7/8" tbg. Work down to 58' from surface. RIH w/ 1-7/8" collar locator & tag @ 58'. Unable to work down. POH w/ tool & tbg. [Recover 3/4" x 9' piece of rod stuck out 2-7/8" tbg. Looks like some rods were left in hole & now around 4-3/4" mill & 3-1/2" DC fish.] RIH w/ collar & tbg to 58'. 1-7/16" tool able to go to 92' - top of mill. Change rams in BOP to 2-7/8" Prep to attempt to run 1' & 1-1/4" tools thru mill in a	JGW	\$10,875	\$120,510
11/20/07	CTL. Rotary Wire Line ran 1-5/16" bar & tag up @ 4-3/4" mill @ 92'. POH w/ bar. RIH w/ 1-1/4" bar & go in hole to 194'. [Note: 1-1/4" tools are the biggest OD that will go thru 4-3/4" mill] [Pick up csg collars @ 131', 162' & 194' Looks like csg jts 30' to 32']. Pick up & RIH w/ 6" Kut-rite shoe, 1 jt 5-1/2" WP. TB & 2 4-3/4" DC's & power swivel. Tag @ 58' TOF. <u>FISH LEFT IN HOLE: Top sub 3-5/8" OD x 2-15/16" ID x 1.00' length, XO 4-3/16" OD x 1-1/2" ID x 1.17' length, XO 3-15/16" OD x 1-1/2" ID x 1.00' length, 1 DC 3-1/2" OD x 1-9/16" ID x 30.80' length, Mill 4-3/4" OD x 3.40' length mill w/ fishing neck 3-5/8" OD x 1-5/16" ID x 1.00' length, XO 3-1/2" OD x 1.35' length, 2-3/8" tbg sub x 10.00 length, 2-3/8" notch collar, {33.97' from TOF to top of mill 49.32' over all length}</u> Mill 6" Talk w/ Bill Shockley & decision made to lay down equipment & RD. Lay down DC's, WP & shoe. RIH 1 stand @ a time & lay down 4 3-1/2" DC's & 112 jts 2-7/8" tbg. Serria pump truck & vac truck clean reverse pit. SDFN.	JGW	\$12,775	\$133,285
11/21/07	CTL. Brake down tools NDBOP & NUWH. Clean location. RDMO.	JGW	\$4,350	\$137,635

**Federal D #3
Finley Resources, Inc.
November 28, 2007
Plug and Abandonment Procedure
Conditions of Approval**

1. Contact BLM office 24 hours prior to starting procedure (575) 393-3612.
2. Plug at 3900' is to be 140' in length and a minimum of 25 sacks of Class C cement. Plug to be tagged at 3775' or shallower.
3. Plug required at top of Yates/Base of Salt. This plug should be 130' in length (minimum of 25 sacks – Class C) and set at 3200' and should be tagged at 3080' or shallower.
4. Plug is required at top of Salt both inside and outside of casing. Two options are available for this plug, which is to be set at 1950' and is to be tagged at 1825' or shallower. Plug to be a minimum of 25 sacks. Annulus plug to be set at the same depth. Annulus plug should be attempted first. If not successful with coiled tubing, perforation attempt to be made at 1950'. Annulus plug to be tagged along with interior casing plug.
5. Shoe plug to be set at 355' and tagged at 250' or shallower in the casing and annulus (25 sack minimum).
6. Fill annulus so that a minimum of a 60' plug is left in the annulus. Fill casing from top of fish to surface. All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper).

WWI 112807

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

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 this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we 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 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

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 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the 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 are 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 a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks 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 Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

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 ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (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.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

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



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, NM 88220

Interim Reclamation Procedures for Permanently Abandoned Federal Wells

1. After Subsequent Report of Abandonment, Form 3160-5, is filed and approved by the BLM the surface protection specialist (SPS) will conduct a surface inspection of the abandonment. The SPS will establish the reclamation requirements the operator will need to complete. **DO NOT START RECLAMATION UNTIL THE SPS HAS INSPECTED THE LOCATION.**

2. The reclamation requirements will be given to an environmental protection specialist (EPS). The EPS will issue the operator a Notice of Written Order outlining the reclamation requirements. **DO NOT START RECLAMATION UNTIL A NOTICE OF WRITTEN ORDER FOR RECLAMATION HAS BEEN RECEIVED.** The EPS will be responsible for all further abandonment work and inspections.

3. **Notification: CONTACT THE EPS 3 DAYS PRIOR TO RECLAMATION WORK.** This notification gives the EPS an opportunity to discuss by phone or on location the reclamation requirements, any special concerns and the timeframes. It also allows the EPS an opportunity to witness various aspects of the reclamation work to determine if an adequate seedbed has been prepared and all reclamation requirements have been completed. **CONTACT THE EPS AT LEAST 3 DAYS PRIOR TO SEEDING.** This allows the EPS to witness the seeding operation to make sure the location is seeded properly and with the appropriate seed mixture. **DO NOT START RECLAMATION UNTIL THE EPS HAS BEEN NOTIFIED.**

4. After reclamation work has been completed, submit the **I & E copy of the Notice of Written Order** to the BLM. It will need to be signed by a company representative and dated. Also submit one original and five copies of the **Final Abandonment Notice, Form 3160-5.** The report should state that all reclamation work has been completed, and the location is ready for a final abandonment inspection.

5. The BLM will continue to monitor the location to ensure the location vegetates successfully, and salts from the reserve pit do not leach to the surface. The location will be monitored until such time as vegetation (20%) is established evenly across the location (including the reserve pit and access road). Once EPS determines that vegetation (20%) is evenly spread across the location, final abandonment will be authorized.

If there are any questions please feel free to contact any of the following:

Jim Amos
Supervisory Environmental Protection Specialist
(575) 234-5909

Barry Hunt
Surface Protection Specialist
(575) 234-5965

Todd Suter
Surface Protection Specialist
(575) 234-5987

Trishia Bad Bear
Natural Resource Specialist – Lea County
(575) 393-3612

Cody Layton
Natural Resource Specialist
(575) 234-5959

Paul Evans
Environmental Protection Specialist
(575) 234-5977

Terry Gregston
Environmental Protection Specialist
(575) 234-5958

10/18/2006