CE UNITED STATE OIL CONS. Division (April 2004) DEPARTMENT OF THE INTERIOR INCh Dr. DEPARTMENT OF THE INTERIOR INCH DEPARTMENT OF THE INCH DEP				FORM APPROVED OMB No. 1004-0137 Expires: March 31, 2007 5. Lesse Serial No. NIVI-15677-A 6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE- Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No.		
1. Type of Well Gas Well Other				8. Well Name and No.		
2. Name of Operator John R. Stearns DBA Stearns				Strange Federal # 002 9. API Well No.		
3a. Address		3b. Phone No. (include area code)		30-005-20718 10. Field and Pool, or Exploratory Area		
HC 65 Box 988 Crossroads, NM 88114 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		575-675-2356		Tomahawk San Andres		
Surface location 660 F BHL 1467 FSL x 1196 F Chaves County, New M			II. County or Parish, State Chaves, New Mexico			
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair Change Plans	Deepen Fracture Treat New Construction Plug and Abandon	Production (Statement of the Production Recomplete Temporarily Al	Well Integrity Other		
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal	xsal		
following completion of the important testing has been completed. Fit determined that the site is ready Well Data - Spud 5/12 8 5/8" 24# casing set 5 1/2" 14# casing set Top of Yates 2116ft Open hole lateral from Stearns proposes to Run packer to 3550ft Displace well with ge Pull tubing to 2170ft Pull tubing to 1670ft Pull tubing 350ft x Ci Cut off wellhead and	2/1980 at 1624ft in 12 1/4" hole at 4299ft. Cemented wi Top Anhy 1616ft m KOP at 3998ft to 5204 plug and abandon as fo x squeeze lateral with elled brine water x spot 25sx cement x spot 25sx cement rculate cement to surfa SU anchors x install re	results in a multiple comp filed only after all requires e. Cemented with ith 1650sacks cen aft MD in northeas ollows 40sx cement x pu	aletion or recompletion in ments, including reclaim 1850 sacks cern nent. Cement cirusterly direction II tubing x WOC leave casing fu	n a new interval, a. ation, have been consent. Cement culated to su	Form 3160-4 shall be filed once ompleted, and the operator has circulated to surface urface	
14. Ihereby certify that the foregoing is true and correct Name (Printed/Typed) Billy E. Prichard Title Agent for John R. Stearns DBA Stearns				tearns		
Signature Belles & Fruiture Date 1/27/09						
. THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved by /S/DA\ Conditions of approval, if any, are a certify that the applicant holds legal which would entitle the applicant	or equitable title to those rights i	does not warrant or	PETROLEUM	ENGINEER Date	FEB 0 4 2009	
which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001 and Tifle 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)	em statements of representations	a wany matter within it	o juntsuicitoji.			

SEE ATTACHED FOR CONDITIONS OF APPROVAL

BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (575) 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 <u>ninety (90)</u> 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 BLM Roswell Field Office, prior to the 90th day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action.
- 2. <u>Notification:</u> Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours call (575) 627-0205 or after office hours call (575) 910-6024. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.
- 3. <u>Blowout Preventers:</u> 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. <u>Mud Requirement:</u> 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. <u>Cement Requirement:</u> 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. Monument: Upon abandonment of the well, 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 covered with a metal plate at least ¼ inch thick and welded in place. 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 the BLM Roswell Field Office. 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, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.

PRAIRIE CHICKENS

No surface use is allowed during the following time periods; unless otherwise specified. This stipulation does not apply to the operation and maintenance of production facilities.

On the land described below:

For the purpose of: Protecting Lesser Prairie-Chickens

Drilling for oil and gas, and 3-D geophysical exploration operations will not be allowed in Lesser Prairie Chicken Habitat during the period of March 1 through June 15, each year. During that period, between 3:00 a.m. and 9:00 a.m., other activities that produce noise and involve human activity, such as geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will not be allowed. Noise producing activities which do not require a human presence, such as venting, flaring, or pumping, are exempt from the 3:00 a.m. and 9:00 a.m. restriction. Regardless of the time of year, exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.