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Form 3160-5  
(August 1999)

APR 07 2009

HOBBSCO

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED  
OMB No 1004-0135  
Expires November 30, 2000

## 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

5. Lease Serial No

LC-065880 A

6. If Indian, Allottee or Tribe Name

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

North El Mar Unit ✓

NM 70994 X

8. Well Name and No.

North El Mar Unit #3 ✓

9. API Well No.

30 025 08420

10. Field and Pool, or Exploratory Area

El Mar (Delaware) ✓

11. County or Parish, State

Lea County, N.M. ✓

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other Service (Injection) ✓

2. Name of Operator

Sahara Operating Company ✓

3a. Address

P.O. Box 4130, Midland, TX 79704

3b. Phone No (include area code)

432/697-0967

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

330' FSL &amp; 330' FWL, Sec 19, T26S, R33E, NMPM Unit Letter "M" ✓

## 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☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treatment☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☒ Well Integrity☐ Other

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 recompleate 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 recompleation 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.)

Propose to P&amp;A well as follows:

Spot 20<sup>25</sup> sx plug on CIBP @ 4650'

Circulate hole with mud

Perf 3300', squeeze 25 sx ~~(not required)~~ 3300-3170 woc tag

Perf 950', squeeze 25 sx 730-630 woc tag

Perf 390', squeeze 30 sx 427-327 woc tag

Spot 10 sx surface plug, Install Dry Hole Marker Art @ 60' - surf is/out.

Wellbore as follows:

8-5/8" casing @ 337' 377

5-1/2" casing @ 4702'

Openhole 4702-4710'

CIBP @ 4650'

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Robert McAlpine

Title

President

Signature

Date

3/26/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DISTRICT 1 SUPERVISOR

Title

Office

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.

APPROVED

Date APR 5 2009

JAMES A. AMOS  
SUPERVISOR-EPS

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

HOLE SIZE 12"

225 SX CMT  
CFC.

CASING SIZE 8 5/8 32#  
TD 377'

HOLE SIZE 7 7/8

100 SX CMT

132 cu/H. 762'  
CTOC  
3940

CASING SIZE 5 1/2 15.5#  
TD 4702

Perf @ 60' - 0

SALT SECTIONS TOP 480  
BASE 4430  
RIMP ✓

CAVE / KARST ✓  
SPEC WATER ✓

327  
Perf 427 WOC Tag

630  
Perf 730 WOC Tag

3170'  
130' plan  
Perf 3300 WOC Tag

CTOC 4400 ±

CIBA w/ 4450  
25 SX CMT

Covers Top of  
Salt BOS

DVT N/A

PERFORATIONS open hole  
4702-4710

open hole  
4702-4710

**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 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> 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 prior to 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.