

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

5. Lease Serial No.
8910115870 LCO 55546

6. If Indian, Allottee or Tribe Name

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

8910115870 / NM 70970A

8. Well Name and No.

LJU #48

9. API Well No.

30-025-11457

10. Field and Pool, or Exploratory Area

LANGLEY MATTIX SR QUEEN

11. County or Parish, State

LEA COUNTY, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☒ Oil Well' ☐ Gas Well' ☐ Other

2. Name of Operator **PHOENIX HYDROCARBONS OPERATING CORPORATION**

3a. Address
P O BOX 3638, MIDLAND, TX 79702

3b. Phone No. (include area code)
432-686-9869

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

**E: 1980' FNL & 660' FWL; SECTION 5; T25S; R37E; LEA COUNTY, NEW MEXICO
ELEVATION 3241' GR**

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.)

Approval to plug abandon well. Bridge plug is set at +/-3161'.

1. Notify district office 24 hours prior beginning operations.
2. MIRU - PLUGGING EQUIPMENT AND STEEL PIT'S
3. ND WELLHEAD-NU BOP-RU SAFETY EQUIPMENT
4. RIH WITH WORKSTRING-TAG CEMENT @ +/- 3141' - CIRCULATE PLUGGING MUD -PUH
5. SPOT 25 SACKS @ 3000' POOH
6. RU WL AND PERFORATE CASING AT 1210'
7. RIH WITH WORKSTRING TO 1250' AND SPOT 50 SKS CEMENT. POOH ABOVE CEMENT AND REVERSE TWO TBG VOLUMES BRADEN HEAD SQZ 25 SKS INTO PERFS AT 1210' LEAVING 25 SKS IN CASING.
8. RIH AND SPOT 25 SKS @ 875' - TAG
9. PUMP 20 SACKS FROM 90' TO SURFACE
10. CUT OFF WELLHEAD, CUT OFF ANCHORS, COVER CELLAR & MOVE OUT
11. REMOVE PRODUCTION EQUIPMENT AND RIP AND SEED LOCATION.

STEEL PIT'S WILL BE USED FOR THIS PROCEDURE

WORK WILL BEGIN WHEN MAY MARRS CASING PULLING INC IS AVAILABLE.

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

BILLY J SNEED

Title **ENGINEERING CONSULTANT**

Signature

Billy J Sneed

Date

06/27/2008

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.

PETROLEUM ENGINEER

Date

JUN 04 2009

Office

KZ

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)

RECEIVED

JUL 22 2008

HOBBS OGD

L 511 73

1000
1000

9 5/8" @ 1210' w/ 500 SKS

RECEIVED

JUL 22 2008

HOBBS OGD

100 - 3100' (TB-PLAN)

CIBPE 3161' w/ 20' CWT 500 SKS

3211 - 3332'

7" 220 @ 3385' w/ 300 SKS

3385 - 3534'

4 1/2" @ 3541' w/ 400 SKS
(10,324 w/ 100 SKS 3324'; 10,318 3324 - 3511)

4H 3707' TD

Phoenix Hydrocarbons Operating Corporation
NMLC055546; LJU 48
1980' FNL & 660' FWL Section 5, T.25 S., R.37 E.
Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

1. OK as is.
2. OK as is.
3. OK as is.
4. OK as is.
5. Spot a 25 sack minimum plug @ 3141'
6. Spot a balanced plug (25 sack minimum) from 3433' - 3300' (7" shoe plug). WOC and tag no lower than 3300'.
7. Perforate the 4-1/2" casing @ 2775', squeeze with adequate cement to fill from 2775' - 2625' (Base of Salt plug). WOC and tag no lower than 2625'.
8. Perforate the 4-1/2" casing @ 1310', squeeze with adequate cement to fill from 1310' - 1155', in/out of the 4-1/2" casing (covers the 9-5/8" shoe and the Top of Salt). WOC and tag no lower than 1155'.
9. Perforate the 4-1/2" and 7" casings @ 200', Circulate cement, filling all annulus and casings to surface.

See attached standard COA's.

James A. Amos
505-234-5909

7/20/08

RECEIVED
JUL 22 2008
HOBBS OCD

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

RECEIVED
JUL 22 2008
HOBBS OCD

**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.