

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

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

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

Mirage Energy, Inc.

3a. Address

P.O. Box 760

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

Unit Letter D, Seciton 04, T21S, R38E
NWNW

RECEIVED

DEC 10 2003

OGD ARTESIA

3b. Phone No. (include area code)

305.394.2602

5. Lease Serial No.

NM-19015

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Duncan Federal #17

9. APN Well No.

30-025-27287

10. Field and Pool or Exploratory Area

Sandhills Grayburg San Andres

11. County or Parish, State

Eddy, NM

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 Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☒ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

3. 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.)

Mirage Energy Inc. requests permission to dispose of water from the Duncan Federal #1. The following information s furnished to handle, store or dispose of water produced from oil and gas wells on said federal leases as follows:

BWPD: 2

Operator: P/W Resources L.L.C.

Disposal Well: Kaiser State #9 30.025.02538

Location: Section 13, T21S, R34E

NMOCD Administrative Order: SWD-R3647

Method of Disposal: Water is pumped off lease to the Yates States Battery located in UL N, Section 32, T20S, R39E, Lea County, NM. Water is then trucked off lease.

Water Analysis Attached.

APPROVED

DEC 8 2003

LES BABYAK
PETROLEUM ENGINEER

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

Name (Printed/Typed)

Larry D. Henson

Title

for record - NMOCD

Signature

Larry D. Henson

Date 11.21.03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

Name

(Printed/Typed)

Title

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

Date

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.

(Continued on next page)

GWW

DATE: 11/4/03

OMEGA TREATING CHEMICALS, INC.
2605 GARDEN CITY HYW.
MIDLAND, TEXAS 79701

WATER ANALYSIS REPORT

COMPANY NAME: MIRAGE OIL

LEASE NAME: DUNCAN FEDERAL

WELL#\SAMPLE POINT: #1

1. WELLHEAD pH	7.29
2. H2S (QUALITATIVE)	17.68 PPM
3. CALCIUM (Ca)	5800.00 Mg/L
4. MAGNESIUM (Mg)	5346.00 Mg/L
5. IRON (Fe)	0.54 PPM
6. SODIUM	24649.60 Mg/L
7. CHLORIDE (Cl)	60705.00 Mg/L
8. BICARBONATE (HCO3)	1549.40 Mg/L
9. SULFATE (SO4)	3096.9 Mg/L
10. TOTAL HARDNESS	36500.00 Mg/L
11. TOTAL DISSOLVED SOLIDS	101165.10 Mg/L
12. RESISTIVITY	0.07
13. CARBONATE SCALING TENDENCY	1.67
14. SULFATE SCALING TENDENCY	21.27

BOPD ____

BWPD ____

REMARKS: _____

COPIES TO: _____