Form 3160-5 (August 2007)

UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

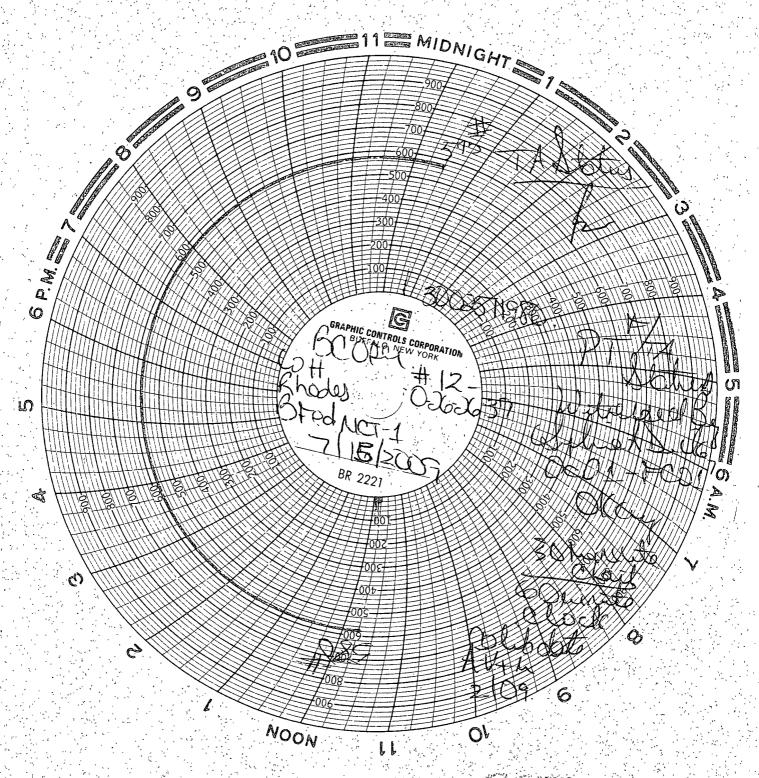
5 Lease Serial No. LC-030174-B

6. If Indian, Allottee or Tribe Name

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 page 2.				7 If Unit of CA/Agreemen	nt, Name and/or N	10
1 Type of Well		4		´ • .		. ,
Oil Well Gas Well Other				8. Well Name and No. W.H. Rhodes B Federal NCT 1 #12		
2. Name of Operator B C Operating, Inc.				9 API Well No. 30-025-11980		
3a. Address 3b. Phone No. (include area code) P O Box 50820 (432) 684-9696 ext 218				10. Field and Pool or Exploratory Area		
				Rhodes Yates Seven R		
4 Location of Well (Footage, Sec., T.,R. 660 FSL & 1980 FEL, UL O Section 26, T26S-R37E	.M, or Survey Description)	,		11. Country or Parish, Stat Lea County, NM	ie ,	•
74 12 CHECK	THE APPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTIC	E, REPORT OR OTHER I	DATA	,
TYPE OF SUBMISSION TYPE OF AC			PE OF ACT	TION		
Notice of Intent	Acidize	Deepen	Produ	oduction (Start/Resume) Water Shut-Off		
		Fracture Treat	=	mation	Well Integrity	atua :
Subsequent Report		New Construction		mplete L	Other TA Sta	atus
		Plug and Abandon		porarily Abandon		
Final Abandonment Notice	Convert to Injection	Plug Back	Water	Disposal		
to 575 psi in 30 mins. Denied: Failure to compositions of Approval attributes sundry 10-8-09 Isl JD Whitlock Jr	oly with tached to			ECEIVED OCT 1 3 2009 OBBSOCD		
Well Last used	3c uzu 12/97	***	, * .			
14. I hereby certify that the foregoing is true	e and correct. Name (Printed/Typed)					. , \
Tami Parker		Title Regulato	ory Analyst			
Signature Zami 4	Parker	Date Q	130109			, ,
-	THIS SPACE FOR FE	DERAL OR ST	ATE OFF	ICE USE		
Approved by Conditions of approval, if any, are attached, but the applicant holds legal or equitable title.			1 SUPI	ERVISOR Date	OCT 19	2009
hat the applicant holds legal or equitable title entitle the applicant to conduct operations the	ereon.		· · · · · · · · · · · · · · · · · · ·			· · · · · · · · · · · · · · · · · · ·
Title 18 U S C. Section 1001 and Title 43 U	S.C. Section 1212, make it a crime for a	ny person knowingly an	nd willfully to	make to any department or a	gency of the Unite	d States any false,

fictitious or fraudulent statements or representations as to any matter within its jurisdiction



Bureau of Land Mar scanent

OCT 0.2 2009

Carlsbad Field Office Carlsbad, N.M.

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

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

- Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
- 2. Describes the temporary abandonment procedure.
- 3. Attaches a clear copy or the original of the pressure test chart.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

Submit Subsequent Report and well bore diagram with all Perforations and CIBP with tops of cement. Well will be approved after successful MIT and subsequent report is submitted. Submit Plans to recomplete, produce or P&A by November 9 2009.