

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NMNM15015A
2. Name of Operator Cano Petro of New Mexico, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 801 Cherry St., Unit 25, Suite 3200, Fort Worth, TX 76102	3b. Phone No (include area code) 817-698-0900	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec, T, R, M, or Survey Description) K, Section 33, T7S R31E		8. Well Name and No. Oakson A Federal #4
		9. API Well No 30-005-200635
		10. Field and Pool, or Exploratory Area TomTom; San Andres
		11. County or Parish, State Chaves County, NM

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 checked="" 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 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.)

Operations expected to start on or about August 1, 2010

MIRU pulling unit

RIH w/ wireline to check depth. (In September 2009, depth was found to be 4036' from GL)

RIH w/ tubing and packer. Set packer within 100' of top perforation (top perf is 3824' from GL)

Load backside and pressure up to 300 psi for 30 minutes to test casing integrity

If casing is good, we will RIH w/ 2-3/8" tubing (no packer), and set seating nipple about 30' below bottom perforation (bottom perf is 3900' from GL)

Run 3/4" D rods and 1-1/2" x 16' insert pump and install 114 pumping unit on well. Produced fluids will be pumped into newly set tanks at the location of the old Oakson A Federal battery

RECEIVED

AUG 09 2010

HOBBSOCD

Conditions of Approval:

OCD requires the Operator to complete a 24 hours production test and submit on form C-104 Request for Allowable before producing this well. Accompanied by Subsequent report with dates and what was done, perms producing from, along with tubing size and depth **ELG 8-10-10**

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

Collin Strawn

Title **Engineer**

Signature

Collin Strawn

Date **7/13/2010**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Conditions of approval, if any, are attached. Approval of this notice does certify that the applicant holds legal or equitable title to those rights in the which would entitle the applicant to conduct operations thereon

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime States any false, fictitious or fraudulent statements or representations as to

(Instructions on page 2)

**Accepted For Record Only For 90 Day
Period Ending OCT 31 2010! Work
Must Be Commenced On Or Before
OCT 31 2010!**

ROSWELL FIELD OFFICE

United

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