

RECEIVED

New Mexico Oil Conservation Division, District 4
1625 N. French Drive
Hobbs, NM 88240

Form 3160-5
(August 2007)

AUG 09 2010

HOBBSON

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

5. Lease Serial No.
NMNM0558287

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Ridgeway Arizona Oil Corporation

3a. Address
200 N. Loraine, Suite 1440
Midland TX 79701

3b. Phone No. (include area code)
432-687-0303

4. Location of Well (Footage/Sec., T., R., M., or Survey Description)
UL-E-1980 FNL/660 FWL
Sec. 26/T7S/R33E

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

8. Well Name and No.
Morgan B Federal #1

9. API Well No.
30-041-10448

10. Field and Pool or Exploratory Area
Chaveroo-San Andres

11. Country or Parish, State
Roosevelt Co. NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Repaired downhole failure/Repaired surface pumping unit
Started well on 6/14/2010
See Attached failure report.

Accepted For Record Only! Approval Subject To Returning Well To Continuous Production And Keeping Well On Continuous Production Or Plugging Well With An Plugging Program Approved By This BLM Office! Please Call David Glass At (575) 627-0275 If You Have Any Questions!

When Oil Is Sold Off This Lease We Will Need A Copy Of The Run Tickets For At Least Two Loads Of Oil With The First Run Ticket Due By DEC 01 2010 And The Second Run Ticket Due By MAR 02 2011!

Accepted For Record For Period Ending SEP 02 2010! Well Must Be Continuously Producing On And After SEP 02 2010!

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

Andy Chalker

Title Operations Manager

Signature

Andy Chalker

Date 06/16/2010

ACCEPTED FOR RECORD SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID B. GLASS

Title

Office

Date

PETROLEUM ENGINEER
AUG 11 2010

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.

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)

Rm

Workover & Completion Report No. 1

Region Office
District / Field Office
AFE Type
Date: 6/10/2010

WORK OBJECTIVE: R&M BLM lease hold			CONTRACTOR / RIG NUMBER: Basic Well Services		OPERATOR: EFRAIN
LEASE: Morgan Federal B	WELL #1	NO.	FIELD Chaveroo	COUNTY Roosevelt	STATE NM

Daily Work Description
MIRU basic pulling unit & Reverse Unit.
ND wellhead. NU BOP's.
SIWFN.

WI 98.500000%
Net AFE Amount \$23,049

AFE Number
Gross AFE Amount \$ 23,400

Perforations					
Date:	Zone	Actual Perforations		JSPF	Total Perfs
Stimulation					
Date:	Zone	Producing Interval / Perforations			Amount
Squeeze / Repair / Plugs					
Date:	Zone	From	To	Work Done	

Work Description	AFE Description	Cost	Acct No.	Cum Total	AFE Amt
	Co.Supervision	\$0		\$0	
Basic Well Service	Service Rig	\$2,200		\$2,200	\$10,000
	Contract Labor	\$0		\$0	\$1,800
Double R/J&A/BMB	Equipment Rental	\$0		\$0	\$1,000
	Stimulation	\$0		\$0	\$250
	Other intangible	\$0		\$0	
TBG/Down hole pump	Materials Sub Surface	\$0		\$0	\$5,650
MWI	Trkg & Hauling	\$0		\$0	\$1,000
	Logging	\$0		\$0	
VMJ	Water	\$0		\$0	\$1,500
	Artificial Lift Equipment	\$0		\$0	
	Other Surface	\$0		\$0	
Bo Monk tbg inp.	Tbg Inspection	\$0		\$0	\$2,200
	Wellhead Assy.	\$0		\$0	
	Pumps	\$0		\$0	
	Rods	\$0		\$0	
	Daily Total:	\$2,200			\$23,400

Prev Comp Costs

Daily Costs \$2,200

Completion Costs \$2,200

Drilling Costs

Cumulative Total \$2,200

Surface Csg O.D.
Grade
Weight
Depth
Sacks
Cmt Top
TOC Method

Inter Csg O.D.
Grade
Weight
Depth
Sacks
Cmt Top
TOC Method

Prod Csg O.D.
Grade
Weight
Depth
Sacks
Cmt Top
TOC Method

Spare Description
Liner O.D.
Grade
Weight
Depth
Sacks
Cmt Top
TOC Method

Representative L.A. Spittler, Jr.

Engineer

K.B.

TD
PBDT
ETD

Workover & Completion Report No. 2

Region Office 0
District / Field Office 0
AFE Type 0
Date: 6/10/2010

WORK OBJECTIVE: R&M BLM lease hold			CONTRACTOR / RIG NUMBER Basic Well Services		OPERATOR: EFRAIN
LEASE: Morgan Federal B	WELL #1	NO. 0	FIELD Chaveroo	COUNTY Roosevelt	STATE NM

WI 98.500000% AFE Number
Daily Work Description Net AFE Amount \$23,049 Gross AFE Amount \$ 23,400
TOH w/ 2" x 1 3/4" x 12' insert pump, 169 3/4" rods. Sent pump to Quinn for rebuild.
TOH, LD 132 jts of exisiting 2 3/8" tbg. Tbg was bad, no holes found.
SIWFN.

Perforations				
Date:	Zone	Actual Perforations	JSPF	Total Perfs

Stimulation			
Date:	Zone	Producing Interval / Perforations	Amount

Squeeze / Repair / Plugs				
Date:	Zone	From	To	Work Done

Work Description	AFE Description	Cost	Acct No.	Cum Total	AFE Amt	
	Co.Supervision	\$0	0	\$0	\$0	
Basic Well Service	Service Rig	\$3,400	0	\$5,600	\$10,000	
	Contract Labor	\$0	0	\$0	\$1,800	
Double R/J&A/BMB	Equipment Rental	\$3,300	0	\$3,300	\$1,000	
	Stimulation	\$0	0	\$0	\$250	
	Other intangible	\$0	0	\$0		
TBG/Down hole pump	Materials Sub Surface	\$0	0	\$0	\$5,650	Prev Comp Costs \$2,200
MWI	Trkg & Hauling	\$1,000	0	\$1,000	\$1,000	Daily Costs \$7,700
	Logging	\$0	0	\$0		Completion Costs \$9,900
VMJ	Water	\$0	0	\$0	\$1,500	Drilling Costs \$0
	Artificial Lift Equipmen	\$0	0	\$0	\$0	Cumulative Total \$9,900
	Other Surface	\$0	0	\$0		
Bo Monk tbg inp.	Tbg Inspection	\$0	0	\$0	\$2,200	
	Wellhead Assy.	\$0	0	\$0		
	Pumps	\$0	0	\$0		
	Rods	\$0	0	\$0		
Daily Total:		\$7,700			\$23,400	

Surface Csg O.D. 0	Inter Csg O.D. 0	Prod Csg O.D. 0	Liner O.D. 0
Grade 0	Grade 0	Grade 0	Grade 0
Weight 0	Weight 0	Weight 0	Weight 0
Depth 0	Depth 0	Depth 0	Depth 0
Sacks 0	Sacks 0	Sacks 0	Sacks 0
Cmt Top 0	Cmt Top 0	Cmt Top 0	Cmt Top 0
TOC Method 0	TOC Method 0	TOC Method 0	TOC Method 0

Representative L.A. Spittler, Jr. K.B. 0.00

Engineer 0

TD 0
PBDT 0
ETD 0

Workover & Completion Report No. 3

Region Office 0
District / Field Office 0
AFE Type 0
Date: 6/12/2010

WORK OBJECTIVE: R&M BLM lease hold			CONTRACTOR / RIG NUMBER		OPERATOR:
			Basic Well Services		EFRAIN
LEASE:	WELL	NO.	FIELD	COUNTY	STATE
Morgan Federal B	#1	0	Chaveroo	Roosevelt	NM

Daily Work Description
WI 98.500000%
Net AFE Amount \$23,049
AFE Number
Gross AFE Amount \$ 23,400

PU & TIH w/ 2 3/8" tbg.
TIH perf sub, s/n, & 132 jts. Of new 2 3/8" tbg.
SN @ 4302.07'. 4' perf sub @ 4307.07'.
TIH rebuilt Quinn 2" x 1 1/2" x 16' insert pump, 169 3/4" rods. Seated pump.
Hang well on check pump action.
RD. Released rig.

Total of 132 jts of new 2 3/8" tbg. Used existing new tbg from MSU pipe yard.
3-6' 3/4" subs, 1-4' 3/4" sub & 2-3' 3/4" subs.
169 existing 3/4" rods.

Rebuilt Quinn 2" x 1 1/2" x 12' insert pump

Perforations

Date:	Zone	Actual Perforations	JSPF	Total Perfs

Stimulation

Date:	Zone	Producing Interval / Perforations	Amount

Squeeze / Repair / Plugs

Date:	Zone	From	To	Work Done

Work Description	Description	Cost	Acct No.	Cum Total	AFE Amt
	Co.Supervision		0	\$0	\$0
Basic Well Service	Service Rig	\$3,800	0	\$9,400	\$10,000
	Contract Labor	\$0	0	\$0	\$1,800
Double R/J&A/BMB	Equipment Rental	\$2,000	0	\$5,300	\$1,000
	Stimulation	\$0	0	\$0	\$250
	Other intangible	\$0	0	\$0	
TBG (16.2 k) /Down hole pump (3.8 k)	Materials Sub Surface	\$20,000	0	\$20,000	\$5,650
MWI	Trkg & Hauling		0	\$1,000	\$1,000
	Logging		0	\$0	
VMJ	Water	\$1,000	0	\$1,000	\$1,500
	Artificial Lift Equipmen		0	\$0	\$0
	Other Surface		0	\$0	
Bo Monk tbg inp.	Tbg Inspection	\$2,200	0	\$2,200	\$2,200
	Wellhead Assy.		0	\$0	
	Pumps	\$0	0	\$0	
	Rods		0	\$0	
	Daily Total:	\$29,000			\$23,400

Prev Comp Costs \$9,900
Daily Costs \$29,000
Completion Costs \$38,900
Drilling Costs \$0
Cumulative Total \$38,900

Surface Csg O.D. 0	Inter Csg O.D. 0	Prod Csg O.D. 0	Liner O.D. 0
Grade 0	Grade 0	Grade 0	Grade 0
Weight 0	Weight 0	Weight 0	Weight 0
Depth 0	Depth 0	Depth 0	Depth 0
Sacks 0	Sacks 0	Sacks 0	Sacks 0
Cmt Top 0	Cmt Top 0	Cmt Top 0	Cmt Top 0
TOC Method 0	TOC Method 0	TOC Method 0	TOC Method 0

Representative L.A. Spittler, Jr.
Engineer 0

K.B. 0.00

TD 0
PBSD 0
ETD 0