

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Hobbs, NM 88240

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 type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other injector	5. Lease Serial No. State NM 82050X
2 Name of Operator Cano Petro Of New Mexico, Inc	6 If Indian, Allottee or Tribe Name
3a Address 801 Cherry Str Suite 3200 Unit 25 Fort Worth TX 76102	7 If Unit or CA/Agreement, Name and/or No Cato San Andres Unit
3b. Phone No. (include area code) 817-698-0900	8. Well Name and No. CSAU #507
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) O-2-08S-30E	9 API Well No 30-005-28022
	10 Field and Pool, or Exploratory Area Cato; San Andres
	11. County or Parish, State Chaves Co., NM

12. CHECK 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 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 checked="" type="checkbox"/> Other fix tubing leak
	<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.)

work performed 6/17/2010 - 6/21/2010

current perms: 3442-3458', 3486-3550', 3562-3598'

MIRU pulling unit

Unset packer and POOH w/ 2-3/8" lined tubing and packer

Found hole in tubing on bottom joint of tubing

Replaced that joint and RBIH w/ 2-3/8" lined tubing and packer. Set packer @ 3361'

Loaded backside with fresh water and packer fluid.

Performed mechanical integrity test, and it passed. (documentation enclosed)

Resumed water injection

RECEIVED

SEP 27 2010

HOBBSOCD

SUBJECT TO
APPROVAL
BY NMOCD

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

Collin Strawn

Title Engineer

Signature

Collin Strawn

Date

07/29/2010

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

/S/ DAVID R. GLASS

Approved by

SEP 17 2010

Title

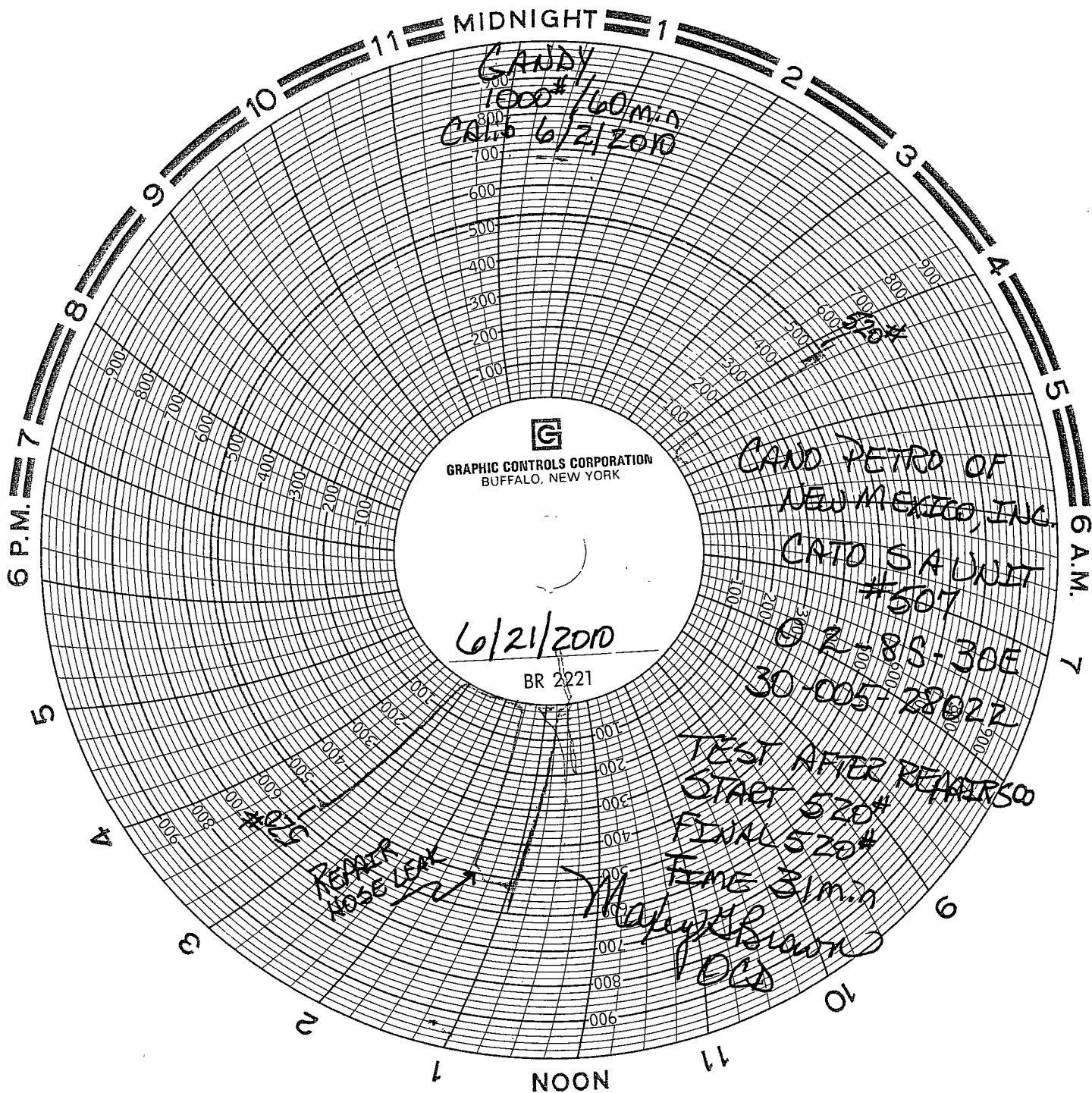
Date

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

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)



GANDY
1000#/60min
Calib 6/2/2010

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

6/21/2010
BR 2221

CAND PETRO OF
NEW MEXICO, INC.
CATO SA UNIT
#507
02-8S-30E
30-005-2802Z

TEST AFTER REPAIR
START 520#
FINAL 520#
TIME 31min
May 11/2010
DCC

REPAIR
NOSE LEAK

4025