

RECEIVED**OPERATOR'S COPY**Form 3160-5
(April 2004)

JAN 28 2011

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**HOBBS****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

Momentum Operating Co., Inc.

3a. Address

P.O. Box 2439 Albany, Texas 76430

3b. Phone No. (include area code)
325-762-3331

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

2310' FSL & 1980' FEL. Sec. 13, T 20S, R 33E

5. Lease Serial No.

LC065447

6. If Indian, Allottee or Tribe Name

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

Teas Yates

8. Well Name and No.

Teas Yates 3-2

9. API Well No.

30-025-01722

10. Field and Pool, or Exploratory Area

Teas Yates-Seven Rivers

11. County or Parish, State

Lea County, New Mexico

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ 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

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 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.)

1. Set CIBP @ 3220' w/35' cement on top.

2. Circulate well w/mud

3. Perforate and attempt to squeeze 40 sx @3150' (Base of Salt) WOC and tag.

4. Perforate and attempt to squeeze 40 sx @1620' (Top of Salt) WOC and tag.

5. Perforate and attempt to squeeze to surface 1001'-0' casing shoe and surface plug w/100 sx

6. Dig out and cut well head off 3' B.G.L. Weld on steel plate and dry hole marker.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****RECLAMATION PROCEDURE
ATTACHED****SUBJECT TO LIKE
APPROVAL BY STATE**14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Ted Tidwell

Title Agent

Signature

Date

11/02/2010

THIS SPACE FOR FEDERAL OR STATE OFFICIAL USE

Approved by

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

APPROVED

DEC

Date
3 2010

/s/ Dustin Winkler

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.
(Instructions on page 2)**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

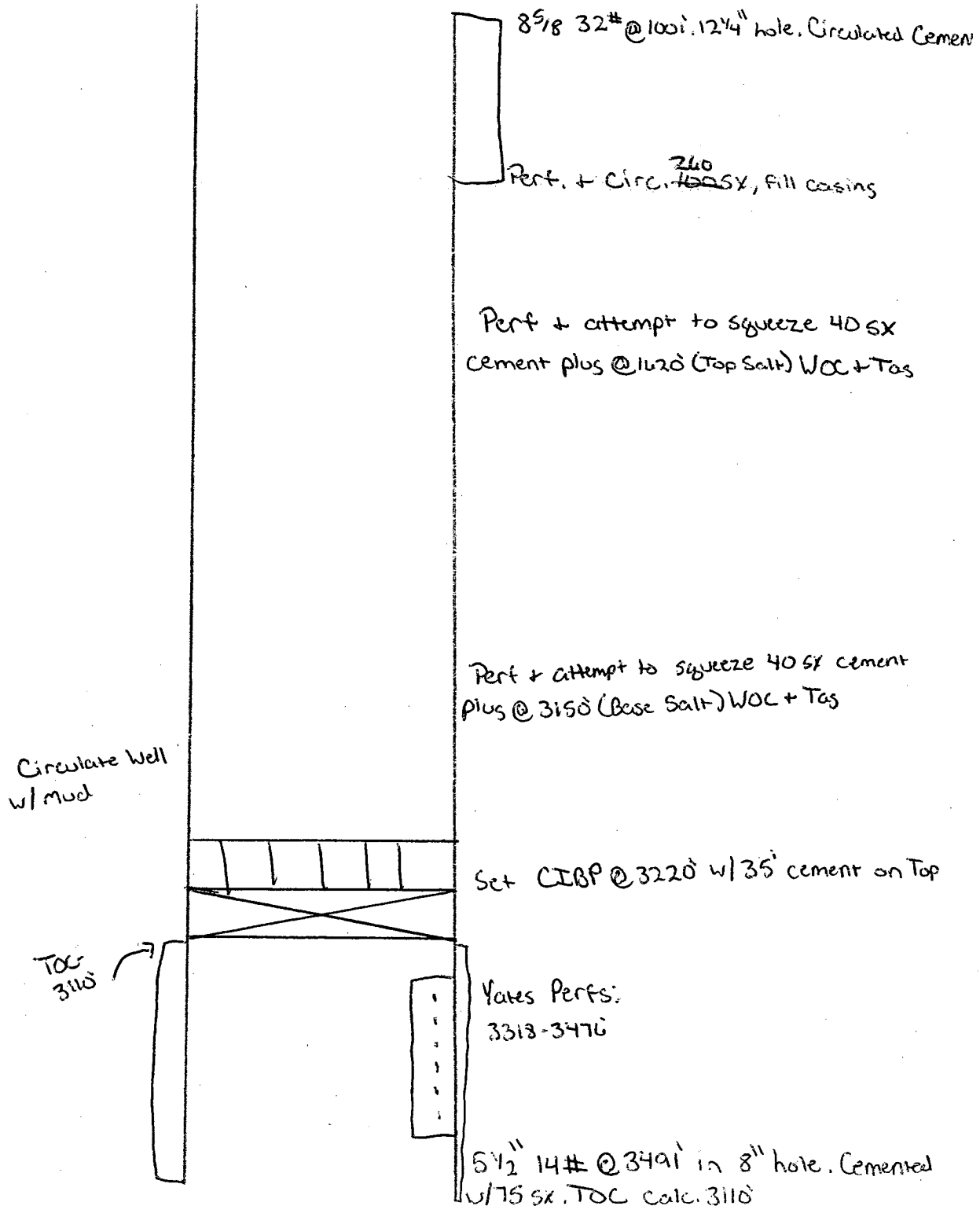
Momentum Operating Co., Inc.

Teas Yates #3-2

340 total sx

Top Salt - 1,570'

Base Salt - 3,100'



Momentum Operating Co., Inc.
NMLC-065447: Teas Yates 3-2
API: 30-025-01722
Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

1. CIBP to be set 50'-100' above top perf. 35' if bailed, 25sx if pumped – Otherwise OK (Perfs)
2. OK
3. Tag at 3020' or shallower (40sx approved). If injection rate cannot be established, spot cement 50' below perfs – Otherwise OK (Yates – BOS)
4. Tag at 1500' or shallower (40sx approved). If injection rate cannot be established, spot cement 50' below perfs – Otherwise OK (TOS)
5. Perforate at 1051'. Approximately 260sx would be needed – Otherwise OK (Casing shoe – Surface)
6. Verify that all annuluses have cement to surface and fill in as required. Ground level dry hole marker to be used in this area; **Requirements attached** – Otherwise OK
7. Submit a subsequent report to the BLM.

H₂S monitoring equipment shall be on location.

See attached standard COAs.

DHW 120310