New Mexico Oil Conservation Division, District I

1625 N. French Drive Hobbs, NM 88240

Form 3160-5 **UNITED STATES** (August 2007)

DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

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

5. Lease Serial No.

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.				NMNM0177517	NMNM0177517 6. If Indian, Allottee or Tribe Name	
				6. If Indian, Allotte		
SUBMIT IN TRIPLICATE - Other instructions on page 2.				7. If Unit of CA/A	7. If Unit of CA/Agreement, Name and/or No.	
1. Type of Well					Cato San Andres Unit	
✓ Oil Well Gas Well Other					8. Well Name and No. Cato San Andres Unit #117	
2. Name of Operator Cano Peto of New Mexico, Inc.			9. API Well No. 30-005-20094			
817-6		3b. Phone No. (incli	clude area code) 10. Field and Pool or Exploratory Area			
		817-698-0900	900 Cato; San Andres		5	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description M-14-08S-30E 660 FSL 660 FWL		n)	11. Country or Parish, State Chaves Co, NM		sh, State	
. 12. CHI	ECK THE APPROPRIATE BO	OX(ES) TO INDICAT	E NATURE OF	NOTICE, REPORT OR OT	THER DATA	
TYPE OF SUBMISSION			TYPE (OF ACTION -		
Notice of Intent	Acidize	Deepen		Production (Start/Resume)	Water Shut-Off	
	Alter Casing	Fracture Tr	eat [Reclamation	Well Integrity	
Subsequent Report	Casing Repair	New Const	ruction	Recomplete	Other tag bottom	
Subsequent Report	Change Plans	Plug and Al	oandon [Temporarily Abandon	Guille 3	
Final Abandonment Notice	Convert to Injection	Plug Back		Water Disposal		
BLM ORDER NO. 24-003-10W MIRU pulling unit. RIH w/ sinker bar on the end of sar production. RD and move to next well	nd line to check depth. Res	ults of data obtained	d from this prod	cedure will determine whe	ther this well can be returned to	
	RECEIVED					
			JUL 28 2010			
			HOBBSOCD			
14. I hereby certify that the foregoing is	true and correct. Name (Printed	/Typed)				
Collin Strawn			Title Engineer			
Signature Clin String			Date 06/14/2010			
		OR FEDERAL	OR STATE	OFFICE USE		
pproved by /C/D						
ienied 15/ DAV	ID R. GLAS	SS	ritle PÉTROL	EUM ENGINEER	JUL 2 1 2010	

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.

Office

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 thereof. (7 1-101)

ROSWELL FIELD OFFICE



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201-2019 www.nm.blm.gov



In Reply Refer To: NM-82050X 3160 (P0130)

CERTIFIED-RETURN RECEIPT REQUESTED 7000 0520 0023 4992 4731

Cano Petroleum of New Mexico, Inc. 801 Cherry Street, Suite 3200 Fort Worth, TX 76102

JUL 2 2 2010

RECEIVED

JUL 28 2010 HOBBSOCD

Gentlemen:

The Bureau of Land Management (BLM) received Sundry Notices of Intent Form 3160-5 on June 18, 2010 for Cato Unit Wells Numbers 12, 15, 34, 62, 66, 117, 132, 134, 138, 140, 151, 152, 153, 160, 161, 164, 165, 166, 171, 172, 174, 175, 177, 178, 179, 181, and 184 in response to Written Order Number 24-002-10W (enclosed). The subject Sundry Notices state Cano's plans to run in hole with sinker bar on the end of sand line to check depth to determine which well(s) can returned to production is not considered a sufficient plan in response to Written Order Number 24-002-10W. The subject Sundry Notices are being returned to you Denied. These Sundry Notices also refer to an incorrect Written Order Number 24-003-10W. BLM is requiring Cano provide a more detailed plan to return the subject well(s) to continuous production or plug the well(s) with a plugging program approved by this BLM office within 60 days from receipt of this letter.

If you need additional information and/or have any questions regarding this letter, please contact David Glass, Petroleum Engineer at the above address or at (575) 627-0275.

Sincerely,

15/ Angel Mayes

Angel Mayes Assistant Field Manager, Lands and Minerals

cc: NM (P0130, File Room) Well Files