New Mexico Oil Conservation Division, District I

1625 N. French Drive Hobbs, NM 88240

Form 3160-5 . (August 2007)

(Instructions on page 2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

BUREAU OF LAND MANAGEMENT		Expires: July 31, 2010	
SUNDRY NOTICES AND REPORTS ON WELLS		5. Lease Serial No. NMNM0155494A	
Do not use this form for propo abandoned well. Use Form 316	sals to drill or to re-enter	6. If Indian, Allottee or Tribe Name sals.	
SUBMIT IN TRIPLICATE	- Other instructions on page 2.	7. If Unit of CA/Agreement, Name and/or No.	
1. Type of Well	Cato San Andres Unit		
✓ Oil Well Gas Well Ot	8. Well Name and No. Cato San Andres Unit #165		
2. Name of Operator Cano Peto of New Mexico, Inc.		9. API Well No. 30-005-20139 /	
3a. Address 801 Cherry Street Suite 3200 Unit 25 Fort Worth, TX 76102	3b. Phone No. (include area		•
	817-698-0900	Cato; San Andres	
4. Location of Well (Footage, Sec., T.,R.,M., or/Survey Des 0-28-08S-30E 660 FSL 1980 FEL	ecription)	11. Country or Parish, State	
		Chaves Co, NM	
	ATE BOX(ES) TO INDICATE NATU	URE OF NOTICE, REPORT OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF ACTION	
✓ Notice of Intent	Deepen	Production (Start/Resume) Water Shut-Off	
Alter Casing Casing Repair	Fracture Treat	Reclamation Well Integrity	
- and a desired in the point		Recomplete Other tag bottom	
Final Abandonment Notice Convert to In	- 10g and 1 found of	Temporarily Abandon Water Disposal	
Attach the Bond under which the work will be performe following completion of the involved operations. If the testing has been completed. Final Abandonment Notice determined that the site is ready for final inspection.) BLM ORDER NO. 24-003-10W MIRU pulling unit.	d or provide the Bond No. on file with operation results in a multiple comple s must be filed only after all requirem	ated starting date of any proposed work and approximate duration and measured and true vertical depths of all pertinent markers and a h BLM/BIA. Required subsequent reports must be filed within 30 etion or recompletion in a new interval, a Form 3160-4 must be file tents, including reclamation, have been completed and the operator that the procedure will determine whether this well can be returned this procedure will determine whether this well can be returned.	zones.) days ed once r has
		RECEIVED JUL 2 8 2010	
		HOBBSOCD	

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)		
Collin Strawn	Title Engineer	
Signature Colli St.,	Date 06/14/2010	
THIS SPACE FOR FED	ERAL OR STATE OFFICE USE	
Denied /S/ DAVID R. GLASS	PETROLEUM ENGINEER	Date JUL 2 1 2010
Conditions of approval, if any, are attached. Approval of this notice does not warrant or hat the applicant holds legal or equitable title to those rights in the subject lease which ventitle the applicant to conduct operations thereog.	contifu	ROSWELL FIELD OFFICE
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	<u></u>	



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 2 8 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