

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD - Hobbs

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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
Penroc Oil Corporation

3a. Address
P.O. Box 2769, Hobbs, NM 88241

3b. Phone No. (include area code)
(505) 492-1236

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
*1980' FSL & 1730' FEL
Sec. 3, T19 S, R-32 E*

5. Lease Serial No.
NM L C 06 7230

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Federal 3-2

9. API Well No.
30-025-2570100

10. Field and Pool, or Exploratory Area
Lusk Bone Spring

11. County or Parish, State
Lea

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 recomplete 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 recompletion 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.)

This well is currently TA'd w/ CIBP set @ 9000'. Evaluating logs for a Delaware completion. Plans are to drill out CIBP @ 9000'. Test / acidize if necessary Bonesprings perf (9142-9156'). If commercial, put on production. If not, either test Delaware (7000'+), or squeeze all perms and re-perf / frac the Morrow. This work scheduled for 1st - 2nd of 2003.

Approved For *6/18/02* Month Period
Ending *7/18/03*

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

Signature *[Signature]*

Title *Analyst*

Date *9/25/02*

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
(ORIG. SGD.) JOE G. LARA

Title *Petroleum Engineer* Date *10/18/02*

Office *CFO*

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.

GWV

not posted