

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240
NMELC064118

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Well Name and No. E C Hill B Fed #2
2. Name of Operator Saga Petroleum LLC		6. If Indian, Allottee or Tribe Name
3a. Address 415 West Wall, Suite 1900, Midland, TX 79701	3b. Phone No. (include area code) (915)684-4293	7. If Unit or C.A. Agreement, Name and or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1981' FNL & 810' FEL Sec. 34 (H) - T23S- R37E		8. Well Name and No. E C Hill B Fed #2
		9. API Well No. 30-025-10946
		10. Field and Pool, or Exploratory Area Teague Paddock-Blinbry
		11. County or Parish, State Lea NM

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 checked="" 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 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.)

Reference is made to BLM Hobbs Inspection Office - NonCompliance Number AJM-003-02
Pressure test ran early November 2001 failed

7" 23, 26 & 29# N80 & J55 @ 7174' w/500 sx, TOC 4475' by survey
CIBP @ 5262' w/2 sx cmt
9-5/8" 32 & 36# H40 & J55 @ 2914' w/1450 sx, TOC 100' by survey
13-3/8" 48 & 54.5# J55 @ 324' w/300 sx, circ surf
Sqzd 3857'-4325' w/150 sx Class C (calc TOC @ 2295')

Perforate 7" @ 2964' & Squeeze With 25 SX.

Intent to P&A as follows

Set CIBP @ 5050' w/5 sx cmt (perfs @ 5100'-5235')
35 sx cmt - 100' plug from 2964' to 2864', tag
Cut & pull 5-1/2" csg @ 1750' & set 100' plug - 50 sx, tag
50 sx @ 374' to 274', tag

20 # 50' surface plug w/dry hole marker

14. I hereby certify that the foregoing is true and correct Name (Printed Typed) Bonnie Husband		Title Production Analyst
Signature <i>Bonnie Husband</i>		Date 01/30/2002

APPROVED THIS SPACE FOR FEDERAL OR STATE OFFICE USE		Date	
Approved by (ORIG. SGD.) DAVID R. GLASS	Title SEE ATTACHED FOR		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.			
Title 18 U.S.C. Section 1001 makes it unlawful 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, or to furnish any information within its jurisdiction.			

BUREAU OF LAND MGMT.
ROSWELL OFFICE

2002 FEB -1 AM 9:31

RECEIVED

111 0 2002