Form 3160-5 . (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD HADEBS OCL

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

5 Lease Serial No.

Box	ENO OF EMILE WITH	HOLMLINI	JUIY	1 3 201	NM-04591	
Do not use this t	NOTICES AND REPO form for proposals : Use Form 3160-3 (A	to drill or to re	LLS -enter an		6. If Indian, Allottee	or Tribe Name
SUBMIT IN TRIPLICATE Other instructions on page 2.					7. If Unit of CA/Agreement, Name and/or No.	
1. Type of Well					8. Well Name and No	
☐ Gas V		Federal "T" # 19				
2. Name of Operator Seely Oil Company					9. API Well No. 30-025-37587	
3a. Address 815 W. 10th St.	3b. Phone No. (in	3b. Phone No. <i>(include area code)</i> 817-332-1377			10. Field and Pool or Exploratory Area EK-Yates-SR-Queen	
Ft. Worth, TX 76102	817-332-1377					
4. Location of Well (Fdotage, Sec., T.,R.,M., or Survey Description) UL: N Sec. 13-T18S-R33E 330' FSL & 2310' FWL				11. Country or Parish, State Lea County, NM		
12. CHEC	CK THE APPROPRIATE BO	OX(ES) TO INDICA	TE NATURE	OF NOTIC	CE, REPORT OR OTH	IER DATA
TYPE OF SUBMISSION	TYPE OF ACT				ION	
✓ Notice of Intent	Acidize	Deepen Deepen		Prod	uction (Start/Resume)	Water Shut-Off
	Alter Casing	Fracture		=	amation	Well Integrity
Subsequent Report		Casing Repair New Construction Recomplete Other Plug and Abandon Temporarily Abandon				
Final Abandonment Notice	Change Plans Convert to Injection	Plug and Plug Bac			oorarily Abandon r Disposal	
	ved operations. If the operation Abandonment Notices must	ion results in a multi	iple completion	n or recomp	letion in a new interva	eports must be filed within 30 days al, a Form 3160-4 must be filed once on completed and the operator has
Seely Oil Company requests permis	ssion to convert the subject	ct well to water inje	ection as folic	ws:		
 Lay down rods & tbg. GIH w/ pkr & tbg to 3500' +/-; sq. Drill out cmt & test. Drill out CIB Lay down work string. Run plastic coated pkr & Salta lir Test csg to NMOCD requiremen Begin injection. 	SEE	ATTAC DITIOI W.E.	NS OF	FOR APPROVA	AL Fed	
14. I hereby certify that the foregoing is to	CX-900-A		SUI API	BJECT PROVA	TO LIKE L BY STATE &-6 - Z	
14. I hereby certify that the foregoing is to	rue and correct. Name (Printe	ed/Typed)				
David L. Henderson			Title President			
Signature Signature	Vardase	Da	ite	1/23	113 A	PPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by 2013 Title Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify WESLEY W. INGRAM PETROLEUM ENGINEER that the applicant holds legal or equitable title to those rights in the subject lease which would Office entitle the applicant to conduct operations thereon

Title 18 U.S.C. Section 1001 and Fille 43 U.S.S. 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 of representations set only make to any mater within its jurisdiction.

Federal T 19 30-025-37587 Seely Oil Company June 11, 2013 Conditions of Approval

- 1. Subject to like approval by the New Mexico Oil Conservation Division.
- 2. Notify BLM 575-393-3612 Lea Co a minimum of 24 hours prior to commencing work. Some procedures shall be witnessed. If no answer, leave a voice mail with the API#, workover purpose and a call back phone number. Note the contact, time and date in your subsequent report.
- 3. Surface disturbance beyond the existing pad shall have prior approval.
- 4. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
- 5. Functional H₂S monitoring equipment shall be on location.
- 6. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. A ram system including a blind ram and pipe ram(s) designed to close on all of the work string(s) used is required equipment. Manuel BOP closure (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500 psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
- 7. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
- 8. Operator step 3 Prior to drilling out CIBP at 4,300 feet, the operator shall pressure test the squeeze of the Seven Rivers perforations to a minimum of 875 psi for 30 minutes. This test shall be charted and witnessed by a BLM inspector. If the test fails, operator shall propose remediation prior to drilling out the CIBP at 4,300 feet.
- 9. Operator step 6 test pressure shall be 500 psi for 30 minutes. Witnessed by BLM or NMOCD.
- 10. Operator shall file a subsequent sundry, Form 3160-5, and a completion report, Form 3160-4, within 30 days of converting the well to injection. Operator shall also submit a Notice of Intent sundry, Form 3160-5, to change the name to include the unit name.
- 11. Workover approval is good for 90 days (completion to be within 90 days of approval). A detailed justification is required for an extension of that date.