Fon 3160-5 (April 2004)

OPERATOR'S COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No 1004-0137 Expires: March 31, 2007 5. Lease Serial No.

NMNM 111938

.IAN - 7 2008

| SUNDRY NOTICES AND RE Do not use this form for proposals abandoned well. Use Form 3160-3 (| NMNM 111938 6. If Indian, Allottee or Tribe NO CO-ARTESIA | | | | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|--|
| SUBMIT IN TRIPLICATE- Other inst | 7 If Unit or CA/Agreement, Name and/or No. | | | | | | |
| 1. Type of Well | 8. Well Name and No. ROCKY ARROYO FEDERAL 8 #1 | | | | | | |
| 2. Name of Operator CLAYTON WILLIAMS ENERGY, INC. | 2. Name of Operator CLAYTON WILLIAMS ENERGY, INC. | | | | | | |
| 3a Address SIX DESTA DRIVE, STE. 3000, MIDLAND TX 79705 | 3b Phone No. (include area code) 432.682.6324 | 30-015-20486 10. Field and Pool, or Exploratory Area | | | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | 11. County or Parish, State Abo, Bone Springs | | | | | |
| SEC. 8, T22S, R22E 1980 FSL & 1977 FEL; UL J | | | | | | | |
| 12. CHECK APPROPRIATE BOX(ES) TO |) INDICATE NATURE OF NOTICE, F | REPORT, OR OTHER DATA | | | | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | | |
| Acidize Alter Casing Casing Repair Change Plans Convert to Injection | Deepen Production (St Reclamation New Construction Recomplete Plug and Abandon Plug Back Water Disposal | Well Integrity Other bandon | | | | | |
| 13. Describe Proposed or Completed Operation (clearly state all pert If the proposal is to deepen directionally or recomplete horizontal Attach the Bond under which the work will be performed or prov following completion of the involved operations. If the operation testing has been completed. Final Abandonment Notices shall be determined that the site is ready for final inspection.) 3/6/07 RU WL & set CIBP @ 2254¹, dump 35¹ cmt on top; WO | Ily, give subsurface locations and measured and to ride the Bond No. on file with BLM/BIA Requir a results in a multiple completion or recompletion e filed only after all requirements, including reclan C & tag @ 2218'; TIH w/tbg. to 1850', p | ue vertical depths of all pertinent markers and zones. red subsequent reports shall be filed within 30 days in a new interval, a Form 3160-4 shall be filed once nation, have been completed, and the operator has ump 25 sx. & pump 25 sx. plug; POOH w/10 jts tbg.; | | | | | |
| WOC; TIH & tag @ 1640'; POOH & LD 51 jts; pump 25 sx. cmt p | olug @ 250' to surface; circ. 5 sx. to surf | ace; POOH & LD tbg; SDFN | | | | | |
| 3/7/07 RD BOP & WH; RD & MO; well plugged & abandoned | | | | | | | |
| Note: Casing has been cut off & dry hole maker installed – v | will restore location as directed by BL | .M inspectors | | | | | |
| Reference BLM Bond No. NM2787 (Surety Bond No. RLB00020. | 27) | Accepted for record | | | | | |

NMOCD

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------|---------|---------|-------------|------------|--|--|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) | ! | ` | | | | | | |
| BETSY LUNA | e ENGINEERING TECHNICIAN | | | | | | | |
| Signature System Lynn | Date | april 25 | 1200 | 7 | | | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USECCEPTED FOR RECORD | | | | | | | | |
| Approved by | | Title | | Date | A 0000 | | | |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject least which would entitle the applicant to conduct operations thereon. | Office | | WM L | 4 2001 | | | | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to any matter | person within | knowingly and willfully to i its jurisdiction | nake to | TRULEUR | Washing NEE | nited R | | |

(Instructions on page 2)



January 4, 2008

State of New Mexico
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
DISTRICT II
1301 W. Grand Avenue
Artesia, New Mexico 88210

Attention: Mr. Tim Gum, District Supervisor

Re: NM OCD Inactive Well List

Clayton Williams Energy, Inc. (Operator Code 25706)

Rocky Arroyo Federal 8 #1 Sec. 8, T22S, R22E, UL J API No. 30-015-20486 Eddy County, New Mexico

Dear Sir:

We have received recent correspondence from the NM OCD Santa Fe office notifying Clayton Williams Energy, Inc. of its list of inactive wells (a copy is attached). The one well listed is our Rocky Arroyo Federal 8 #1 well in Eddy County, New Mexico.

Please note this well has been plugged and abandoned. A copy of the approved sundry notice that was filed with the BLM is also attached. Please note the BLM has not released the location pending 1 year's monitoring of the vegetative regrowth.

Could you please update the NM OCD records to reflect the plugged and abandoned status; or if we need to do any further action, please let me know. If you have any questions or need additional information, please contact me at 432-688-3240 or via e-mail at bluna@claytonwilliams.com.

Sincerely yours,

Accepted for record NMOCD

Betsy Luna

Engineering Technician

Poetsy Luna



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

December 21, 2007

Rule 40 of the Oil Conservation Division requires that the OCD notify any operator who operates a well that has shown no production or injection for the past twelve months. You may have received notification in the past few months of the wells that met that criteria at that time. If any additional wells now meet that criteria, attached to this letter you will find a list of all wells in that status as of this month.

This list excludes wells in Approved Temporary Abandonment status, wells covered by an Agreed Compliance Order for inactive wells, and wells that have been plugged but for which the site has not yet been released.

Please review the Oil Conservation Division's 2005 enforcement rules on the web to learn what impact this list of wells may have on your organization. These are available at www.emnrd.state.nm.us/ocd, Rules, Newly Adopted Enforcement Rules.

You may keep yourself informed of upcoming inactive wells by going to www.emnrd.state.nm.us/ocd, then OCD Online, then E-Permitting, then Inactive Well List. Enter three or more characters of your organization's name and select the right company from the pull-down list. Then click Get Report. The default report shows you all wells that have been inactive for 15 or more months; you may change this to 8 months or anything else to see which wells may cause inactivity issues in the future.

If you believe any of these wells should have been reported with production or injection volumes on your C-115, please amend and re-file those C-115s immediately. If you have any other questions about why these wells are appearing as inactive, please contact the OCD District Supervisor for the district in which the well in question is located.

We have received some questions about the Status indicators of P and D. P means that the most active zone for this well at this time is a plugged zone. It does not mean that the well itself has been plugged or "plugged-not-released." This well would not be on the Inactive Well List if OCD had recorded the wellbore as plugged or "plugged-not-released"; if you believe that the well is plugged, please contact the OCD district. The D means that the most active zone for the well is recorded as a dry hole. If your records show otherwise, please contact the district.

Sincerely,

Jane Prouty

Bureau Chief, Automation and Records Bureau

Accepted for record NMOCD

Inactive Well List

| District | API | Well | ULSTR | OCD Unit | OGRID | Operator | Lease Type | Well Type | Last Production | Formation Notes | Status TA Exp D | late |
|----------|--------------|-----------------------------|--------------|----------|-------|---------------------------------------------------------------|------------|-----------|--------------------|--------------------|-----------------|------|
| 2 | 30-015-20486 | ROCKY ARROYO 8 FEDERAL #001 | J-8 -22S-22E | J | 25706 | CLAYTON WILLIAMS ENERGY INC CLAYTON WILLIAMS ENERGY INC Count | F | G | 6/1/1987 | P&A 03-07-2007 | Р | |

Accepted for record NMOCD