| * | Form 3160-5 | | | | | |
|---|---------------|--|--|--|--|--|
| | (April 2005). | | | | | |

BLM Carlsbadh Geld Office DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SEP 0 7 2011

| | FORM APPROVED | _ | | | | | | |
|---|--|---|--|--|--|--|--|--|
| | Budget Bureau No. 1004-0137 Expires. March 31, 2007 | | | | | | | |
| | | | | | | | | |
| ı | 5. Lease Serial No. | _ | | | | | | |
| | NMLC 032582A | | | | | | | |
| I | | | | | | | | |
| | | | | | | | | |

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enteranteD

| abandoned well. Use Fo | | for such proposals | | | | |
|---|--|--|--|---|--|--|
| SUBMIT IN TRIPLICA | 7. If Unit or CA, Agreement, Name and/or No | | | | | |
| 1 Type of Well | ire omer mistre | actions on reverse s | iue. | 7. If Ollit of CA, A | greenent, Name and/of No | |
| Well Well X Other SV | | 8. Well Name and No | | | | |
| | E J Wells #2 | | | | | |
| 2. Name of Operator FULFER OIL & CATTLE LLC | / <u></u> | | | | | |
| TODI EN OIL & CATTLE ELEC | | | | 9. API Well No 30-025-09736 | | |
| 3a Address | | 3b. Phone No. (include area code) 575-392-3575 | | | | |
| P.O. BOX 1224, JAL, NM 88252 | | | | 10. Field and Pool, or Exploratory Area | | |
| 4 Location of Well (Footage, Sec, T.,R, M | | SWD; Yates-Sev | en Rivers | | | |
| UL G, 2310 FNL & 2310 FEL / Section 12, T25S, R36E | | 07/001 1 m 1 m 0 m 1 m 1 m 1 m 1 m 1 m 1 m | 1000 (1 4000 W M M M | 11. County or Par Lea Co., NM | ish, State | |
| 12 CHECK APPROPRIATE E | ROX(s) TO INDIC | ATE NATURE OF | NOTICE | | OTHER DATE | |
| TYPE OF SUBMISSION | | OF ACTION | NOTICE, | TEPORT, OR C | JIHER DATA | |
| | Acıdize | Deepen | Produc | tion (Start/Resume) | Water Shut-Off | |
| X Notice of Intent | Alter Casing | Fracture Treat | | , | | |
| Subsequent Person | | _ | | mation | Well Integrity | |
| Final Abandanana Natura | Casing Repair | New Construction | Recoi | mplete | X Other REQUEST EXTENSION SO T | |
| 1 mai Abandonnient Notice | Change Plans | Plug and Abandon | Temp | orarily Abandon | WE MAY RECERTIFY WELL | |
| i - | Convert to Injection | Plug Back | | r Disposal | AS A DISPOSAL WELL | |
| 13 Describe Proposed or Completed Operation Cle to deepen directionally or recomplete horizontal work will be performed or provide the Bond No If the operation results in a multiple completion Filed only after all requirements, including recla | on file with BLM/BIA Record recompletion in a new inter- | and measured and true vertical quired subsequent reports shall erval a Form 3160-4 shall be f | be filed within 3 | tinent markers and zones O days following comple | Attach the Bond under which the tion of the involved operations | |
| Fulfer Oil & Cattle LLC recently Intent to P&A be submitted within well to active disposal; however, i its requirements since the well wa determine the working interest ow & Cattle LLC respectfully request and a reasonable amount of time be | n 30 days of the appure to do so, we so originally permitte the area of rest an additional | roval of change of open will have to re-apply and we must have eview. This will take day extension in orde | erator. Fulfe to the OCD a geologist p considerable r that the stu | or Oil & Cattle LI to repermit the worepare a study, as | C wishes to return the vell. The OCD has changed is well have a landman | |
| | ATTACHED | | | | | |
| | | APPROVAL | | | | |
| 14 I hereby certify that the foregoing is true and com Name (Printed/Typed) Debbie McKel | | Title Agent | | | | |
| Signature Mulliu My | Kelver | Date 4/8/11 | · ************************************ | | the second secon | |
| THIS | SPACE FOR FEDEI | RAL OR STATE OFF | ICE USE | PRS 04/1 | 4/2011 | |
| Approved by | | · Title | 00- | Date 4 | | |
| Conditions of approval, if any, are attached Approval of the holds legal or equalable title to those rights in the subject lease we operations thereon | cice does not warrant or certify the | * * * * * * * * * * * * * * * * * * * | ET FO | | (M) 11 | |
| Title 18 U S C Section 1001 and Title 43 U S C Section Fictitious or fraudulent statements or representations as | n 1212, make it a crime for a to any matter within its jurisc | any person knowingly and will diction | fully to make to a | any department or agency | of the United States and false, | |

EJ Wells #2 NMLC 032582A Fulfer Oil and Cattle LLC

April 14, 2011

Condition of Approval

- 1. Within 30 day submit a Notice of Intent to reinstate as a SWD with well bore schematic showing all casing and cement which is presently in this well. This information also needs to provide any casing issues and any perforations which have been done.
- 2. Provide time frame it will take to convert well if approved.
- 3. A MIT/Bradenhead test must be ran prior to approval.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing must be capable of holding this pressure for at least 30 minutes. Any leakoff will be evaluated and may require remedial work prior to approval.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (30) days of the test.
 - e. Contact BLM office at least 24 hours prior to the scheduled Casing Integrity Test. Contact Paul Swartz at 575-234-5985.
- 4. Prior to this well being approved to be utilized as an SWD you will be required to run a cement bond log to TD and provide a copy with request to reinstate. (Drilling was started on this well August 31, 1935 and finished November 3, 1935. Surface casing was set to 223', intermediate string to 1632' and production string to 3310' with well TD'd at 3373'. Upon review of this well the top of the Capitan Reef is around 3650', which will be too close to allow frac treatment. This well may not be approved as a commercial SWD.)
- 5. If this is approved an injection profile will be required periodically.
- 6. If above information cannot be provided within 30 days, submit a Notice of Intent to Plug and Abandon.
- 7. Submit information to Wesley Ingram Supervisory Petroleum Engineer Carlsbad Field Office.