

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

WELL API NO. 30-025-24939
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Scharbauer
8. Well No. 2
9. Pool name or Wildcat EK Yates-SR-Queen
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3973' GL, 3985 RKB

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator Seely Oil Company
3. Address of Operator 815 W. 10th St., Fort Worth, Tx. 76102

4. Well Location Unit Letter <u>N</u> : <u>330</u> Feet From The <u>South</u> Line and <u>1650</u> Feet From The <u>West</u> Line Section <u>20</u> Township <u>18S</u> Range <u>34E</u> NMPM Lea County
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11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Seely Oil Company's Scharbauer #2 well is currently producing from the Penrose sand from 4746-64'.

Seely Oil Company respectfully requests permission to set a CIBP w/30" cement on plug @ 4700'. The Upper Queen from 4474-82' will be perforated w/2 spf (17 holes). The zone will be acidized w/1000 gals. and returned to production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE <u>David L. Henderson</u>	TITLE <u>Petroleum Engineer</u>	DATE <u>12/17/99</u>
TYPE OR PRINT NAME <u>David L. Henderson</u>	TELEPHONE NO. <u>817/332-1377</u>	

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: