

N.M. Oil Cons. DIV-Dist
1301 W. Grand Avenue

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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

☒ Oil Well ☐ Gas Well ☐ Other

RECEIVED

2. Name of Operator

LYNX PETROLEUM CONSULTANTS, INC.

MAR 15 2006

3a. Address

P.O. BOX 1708 HOBBS, NM 88241

3b. Phone No. (include area code)
(505) 392-6950

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 13 T19S R31E SWSW 660FSL 760FWL

5. Lease Serial No.

NMNM09003

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NMNM71152

EXPIRES RETRO -
5-30-1984

8. Well Name and No.

Sweeney Fed 1

9. API Well No.

30-015-10397-00-S1

10. Field and Pool, or Exploratory Area

Lusk

11. County or Parish, State

Eddy County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Plug and Abandon	<input checked="" 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 and 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.)

TEMPORARY ABANDONMENT STATUS EXTENSION:

The Radar '24' Fed. No. 1 was recompleat to the Delaware in 2004. Based on the performance of this well, we cannot economically justify the Sweeney work at this time. Zone appears to be present and higher product prices could make this project viable.

APPROVED FOR 12 MONTH PERIOD

ENDING 03/08/07

MAR - 8 2006

GARY GOURLEY
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Andrea Scott

Title Regulatory Clerk

Signature

Andrea Scott

Date

3/7/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) GARY GOURLEY

Title

Date

3/8/06

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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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 or representations as to any matter within its jurisdiction.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
505-627-0272

**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful casing integrity test as follows:

1. 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.
2. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
3. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
4. 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 (90) days of the test.
5. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Chaves and Roosevelt County, call 505-627-0272; Eddy County, 505-887-6544; Lea County 505-393-3612.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for a 12 month period provided that the operator:

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
2. Attaches a clear copy or the original of the pressure test chart.
3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.
4. Describes the temporary abandonment procedure.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Ref: IM: NM-95-022 (12/16/94)

acs -- 9/24/96

Notice Approval - Dates

Document No 06GG0110S Well / Facility Name(s) SWEENEY FED API Number(s) 300151039700S1
Document Type TA Number(s) 1
EC Tran #

NOS Recv APD/SN/WC Recv 03/08/2006 APD Cmplt Posted

Adj Cmplt Engr Cmplt Geol Cmplt Surf Cmplt

Expiration 03/08/2007 Disp Date 03/08/2006 Disposition Approved
Exten Appv Exten Expires

For New Sundries, enter Description of Proposed or Completed Operations. These will be saved as Approval Remarks.
This well has been loaded with packer fluid, - most adequate method of TA. However, this well also has been Ta for 6 years and shows no production potential. I am allowing one year of TA, but sending the TA COA highlighted as no justification to keep from plugging and a copy of the SECTION 349 Energy Bill to have well plugged within one year of notification. Economics is not a justification at this time.

Active? Yes

ENERGY BILL

TA well interest

- (2) gas production from marginal properties....
- (c) REDUCED ROYALTY RATE. [see legislation]
- (d) TERMINATION OF REDUCED ROYALTY RATE. [see legislation]
- (e) REGULATIONS PRESCRIBING DIFFERENT RELIEF.

- (1) Discretionary regulations; (2) Mandatory regulations

Section 349. Orphaned, Abandoned, or Idled Wells on Federal Land.

(a) [timeframe] The Secretary, in cooperation with the Secretary of Agriculture, shall establish a program not later than 1 year after the date of enactment of this Act, to remediate, reclaim and close orphaned, abandoned, or idled oil and gas wells located on land administered by the land management agencies within the Departments of the Interior and Agriculture.

(b) The program under subsection (a) shall

- (1) include a means of ranking well sites for priority in remediation, reclamation, and closure based on public health and safety, potential environmental harm, and other land use priorities;
- (2) provide for identification and recovery of the costs for persons or other entities currently providing a bond or other financial assurance;
- (3) provide for recovery from those identified under paragraph (2)

(c) In carrying out the program, the Secretary shall work cooperatively with the Secretary of Agriculture and the States and consult with the Secretary of Energy and the Interstate Oil and Gas Compact Commission.

(d) PLAN [timeframe] Not later than 1 year after the date of enactment of this Act, the Secretary, in cooperation with the Secretary of Agriculture shall submit to Congress a plan for carrying out the program.

(e) A well is idled if the well has been non-operational for at least 7 years and there is no anticipated beneficial use for the well.

(f) FEDERAL REIMBURSEMENT FOR ORPHANED WELL RECLAMATION PILOT PROGRAM.

(1) The Secretary shall carry out a pilot program under which, issuing a new oil and gas lease on federally owned land on which 1 or more orphaned wells are located, the Secretary may

(A) require, other than as a condition of the lease, that the lessee remediate, reclaim, and close in accordance with standards established by the Secretary, all orphaned wells on the land leased; and

(B) shall develop a program to reimburse a lessee, through a royalty credit against the Federal share of royalties owed or other means, for the reasonable actual costs of remediation, reclaiming, and closing the orphaned wells pursuant to that requirement.

(2) The Secretary (A) may authorize any lessee to reclaim in accordance with the Secretary's standards and orphaned well on unleased federally owned land; or an orphaned well located on an existing lease on federally owned land for the reclamation of which the lessee is not responsible.

(b) shall develop a program to provide reimbursement of 100 percent of the reasonable actual

production of a well or wells for Communitized Area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said Communitized Area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

10. The production of Communitized Substances and disposal thereof shall be in conformity with allocation, allotments or quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

11. This agreement shall be effective as of the date hereof upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior, or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as Communitized Substances are or can be produced from the Communitized Area in paying quantities; provided, that prior to production in paying quantities from the Communitized Area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the Communitized Area are commenced and are thereafter conducted with reasonable diligence during the period of non-production.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the Communitized Area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor and in the applicable oil and gas operating regulations of the Department of the Interior.

13. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior.

Production Summary of api:3001510397 pool:LUSK;STRAWN

producing year	Oil	Gas	Water	Co2
1982**	350499	1111337	0	0
1983	0	0	0	0
1984	0	0	0	0
1985	0	0	0	0
1986	0	0	0	0
1987	0	0	0	0
1988	0	0	0	0
1989	0	0	0	0
1990	0	0	0	0
1991	0	0	0	0
1992	0	0	0	0
1994	0	0	0	0
1995	0	0	0	0
1996	0	0	0	0
1997	0	0	0	0
1998	0	0	0	0
1999	0	0	0	0
2000	0	0	0	0
2001	0	0	0	0
2002	0	0	0	0
2003	0	0	0	0
2004	0	0	0	0
2005	0	0	0	0
summary	350499	1111337	0	0

**represents cumulative production data from pre-ONGARD database until December 1992.

- this well and pool combination has other production data, click here to see the report.