

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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

2. Name of Operator SOUTHWEST ROYALTIES, INC.

3a. Address
6 DESTA DRIVE, STE 2100, MIDLAND, TX 797053b. Phone No. (include area code)
432 688-3267

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

660' FSL & 1980' FEL, SEC 30, T18S, R29E, UNIT O

5. Lease Serial No.
NM 564-26

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
ALSCOTT FEDERAL #29. API Well No.
30 015 2214210. Field and Pool, or Exploratory Area
N TURKEY TRACK (MORROW)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 checked="" 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 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 checked="" type="checkbox"/> Plug and Abandon	<input 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 recomple 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 recomple 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.)

Detail:

13-3/8" 40# @ 395' cmt circ w/1350 sx

8-5/8" 24# & 32# @ 3018'; cmt'd w/1400' sx circ

5-1/2" 17# & 20# @ 11,332' cmt'd w/700 sx; TOC @ 8250' (TS)

Perfs 10,610' - 10,946' (CIBP @ 10,570' w/35' cmt) (CIBP @ 10,410' w/35' cmt); 9566' - 9614'.

Schematic attached.

RU P&A contractor & eqpmt. Set CIBP @ 9500' and top w/35' cmt. Run freepoint and cut 5-1/2" csg & LD.

Spot 25 sx cmt plug 50' inside of 5-1/2" to 50' above 5-1/2" csg.

Spot 40 sx plug from 3068' - 2968'.

Spot cmt from 60' to surface.

Cut off wellhead and install DHM.

Clean and restore location.

Accepted for record
NMOCDSEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

DAWN M. HOWARD

Title OPERATIONS ASSISTANT

Signature

Date

04/19/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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.

(Instructions on page 2)



SOUTHWEST ROYALTIES

PROJECT _____

PAGE 1 OF 1
BY CMB DATE 1/18/01

Alcort No 2

UT 0, Sec 30, T13S, 29E

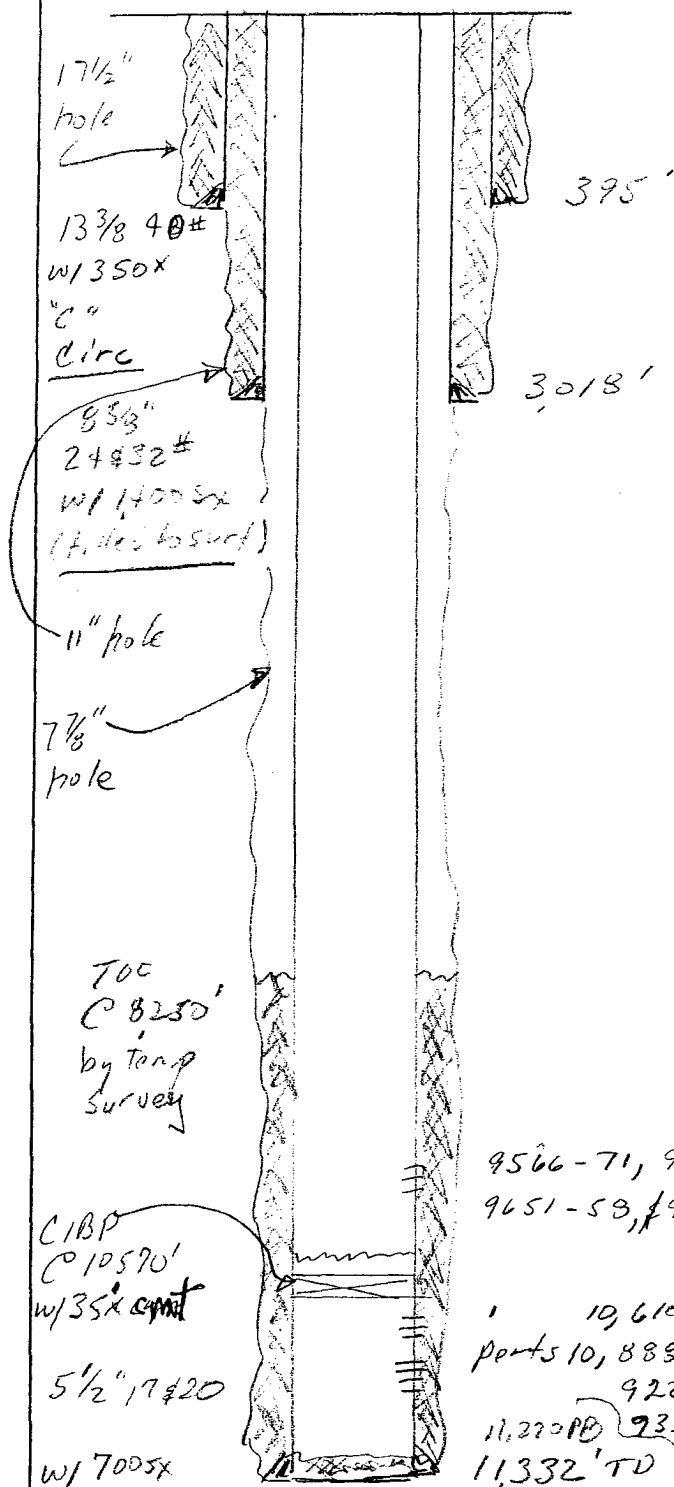
1930' FEL & 660' FSL

Edg Co, NM

Elev: 3461 GR

NM 0924

API No 30-015-22142



Accepted for record
NMOCD

9566-71, 9574-78, 9614-21, } Cisco -
9651-59, 9604-14.

10,610-14'
pnts 10,888-92 4 shots
922-24 4 shots
11,270-935-46 10 shots
11,332' TD
Morrow -
Ni Turkey Track

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to plug this well with the following modifications:
2. BLM records indicate that three CIBP's were set in this well in February 2002 @ 11,050', 10120' and 9500' respectively, with 35' of cement bailed on top of each CIBP. This work was witnessed by a BLM Inspector. Apparently the CIBP reported as being set @ 10570' on 6/21/97 was drilled out without a sundry being filed to request or report that work. **If you can verify this information, the setting of a CIBP @ 9500' in the proposed procedure should be replaced with tagging the cement on top of the CIBP currently @ 9500', then running a CIT or pumping 48 sacks of class H cement on top of the cement @ the PBTD.**
3. When 5.5" casing is cut and pulled set stub plug size according to the criteria below. If the casing is pulled to down below 6595', add a 40 sack cement plug @ 6595', for the top of the Bone Spring. If the casing is pulled above 6595', perf and squeeze 40 sacks of cement @ 6595' leaving 16 sacks inside of the casing. If the casing is pulled below 8595' the plug must come above this depth or a plug must be added between that plug and the one @ 6595' to reduce the distance between these plugs to less than 2000'.
4. Add a 26 sack plug @ 895' for the top of the Delaware.
5. Add a 26 sack plug @ 445' for the surface casing shoe.
6. The surface plug must be at least 100'.
7. The plugs @ the 5.5" casing stub, 3068' and 455' must be tagged.
8. The balance of the procedure is approved as submitted

**Accepted for record
NMOCD**

*****All plugs below the surface plug must be at least 100' and 25 sacks of cement plus an additional 10% for each 1000 feet of depth.**

Plugging procedures must conform to 43 CFR 3162.6.d and Onshore Order No. 2.III.G or NMOCD orders if they are more stringent.

**ALL OF THE WORK AUTHORIZED HERE MUST BE COMPLETED WITHIN
90 DAYS.**

Engineering can be reached at 505-706-2779 for variances.

F Wright 4/27/07



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, NM 88220

Interim Reclamation Procedures for Permanently Abandoned Federal Wells

1. After Subsequent Report of Abandonment, Form 3160-5, is filed and approved by the BLM the surface protection specialist (SPS) will conduct a surface inspection of the abandonment. The SPS will establish the reclamation requirements the operator will need to complete. **DO NOT START RECLAMATION UNTIL THE SPS HAS INSPECTED THE LOCATION.**

2. The reclamation requirements will be given to an environmental protection specialist (EPS). The EPS will issue the operator a Notice of Written Order outlining the reclamation requirements. **DO NOT START RECLAMATION UNTIL A NOTICE OF WRITTEN ORDER FOR RECLAMATION HAS BEEN RECEIVED.** The EPS will be responsible for all further abandonment work and inspections.

3. **Notification: CONTACT THE EPS 3 DAYS PRIOR TO RECLAMATION WORK.** This notification gives the EPS an opportunity to discuss by phone or on location the reclamation requirements, any special concerns and the timeframes. It also allows the EPS an opportunity to witness various aspects of the reclamation work to determine if an adequate seedbed has been prepared and all reclamation requirements have been completed. **CONTACT THE EPS AT LEAST 3 DAYS PRIOR TO SEEDING.** This allows the EPS to witness the seeding operation to make sure the location is seeded properly and with the appropriate seed mixture. **DO NOT START RECLAMATION UNTIL THE EPS HAS BEEN NOTIFIED.**

4. After reclamation work has been completed, submit the I & E copy of the Notice of Written Order to the BLM. It will need to be signed by a company representative and dated. Also submit one original and five copies of the **Final Abandonment Notice, Form 3160-5.** The report should state that all reclamation work has been completed, and the location is ready for a final abandonment inspection.

5. The BLM will continue to monitor the location to ensure the location vegetates successfully, and salts from the reserve pit do not leach to the surface. The location will be monitored until such time as vegetation (20%) is established evenly across the location (including the reserve pit and access road). Once EPS determines that vegetation (20%) is evenly spread across the location, final abandonment will be authorized.

If there are any questions please feel free to contact any of the following:

**Accepted for record
NMOCD**

Jim Amos
Supervisory Environmental Protection Specialist
(505) 234-5909

Barry Hunt
Surface Protection Specialist
(505) 234-5965

Todd Suter
Surface Protection Specialist
(505) 234-5987

Trishia Bad Bear
Natural Resource Specialist – Lea County
(505) 393-3612

Cody Layton
Natural Resource Specialist
(505) 234-5959

Paul Evans
Environmental Protection Specialist
(505) 234-5977

Terry Gregston
Environmental Protection Specialist
(505) 234-5958

10/18/2006