

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 29 2008

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

S

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.

OCDA-ARTESIA

Lease Serial No.
NM0925 NM 56423

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, Suite 2100, Midland, TX 79705

3b. Phone No. (include area code)
432/688-3267

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

660' FWL & 1980' FWL, Unit N, Sec 29, T18S, R29E

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No
NM72024

8 Well Name and No.
Wright Fed Com. #1

9. API Well No
30 015 21878

10. 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 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.)

After a failed attempt to complete uphole, our plans are to immediately plug and abandon per the attached procedures. A current and proposed schematic are also attached. This well is under an ACO and we would appreciate the approval to procede as soon as a contractor is available.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED

JUL 25 2008

JAMES A. AMOS
SUPERVISOR-EPS

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

Dawn M. Howard

Title Operations Assistant

Signature

Date

7/24/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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)

Accepted for record
NMOCD

Southwest Royalties, Inc.
NMNM56428; Wright Fed Com #1
660 FSL & 1980 FWL Sec. 29, T18S-R29E
Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

1. OK as is.
2. OK as is.
3. OK as is.
4. OK as is.
5. OK as is.
6. OK as is.
 - 6a. Spot a balanced plug from 9668' - 9468' (Covers Top of Cisco).
 - 6b. Spot a balanced plug from 8770' - 8590' (Covers Top of Wolfcamp).
7. OK as is.
8. OK as is.
9. Stub plug from 8050' - 7870'. Minimum plug is 100' plus 10% per 1000 foot.
10. OK as is.
11. OK as is.
 - 11a. Spot a balanced plug from 6632' - 6472' (Covers Top of Bone Spring). WOC and tag.
12. OK as is. Note: This is a spacer plug only.
13. OK as is.
14. OK as is.
15. Spot a balanced plug from 3650' - 3520' (8.625" shoe plug), minimum plug is 100' plus 10% per 1000 foot.
16. OK as is.
17. OK as is.
 - 17a. Spot a balanced plug from 816' - 716' (Covers Base of Salt). WOC and tag.
18. OK as is.
19. OK as is.
20. OK as is.
21. Spot surface plug from 60' to surface.

See attached standard COA's.

James A. Amos
505-234-5909

7/25/08

Accepted for record
NMOCD

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Permanent Abandonment of Federal Wells
Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.

**Accepted for record
NMOCD**

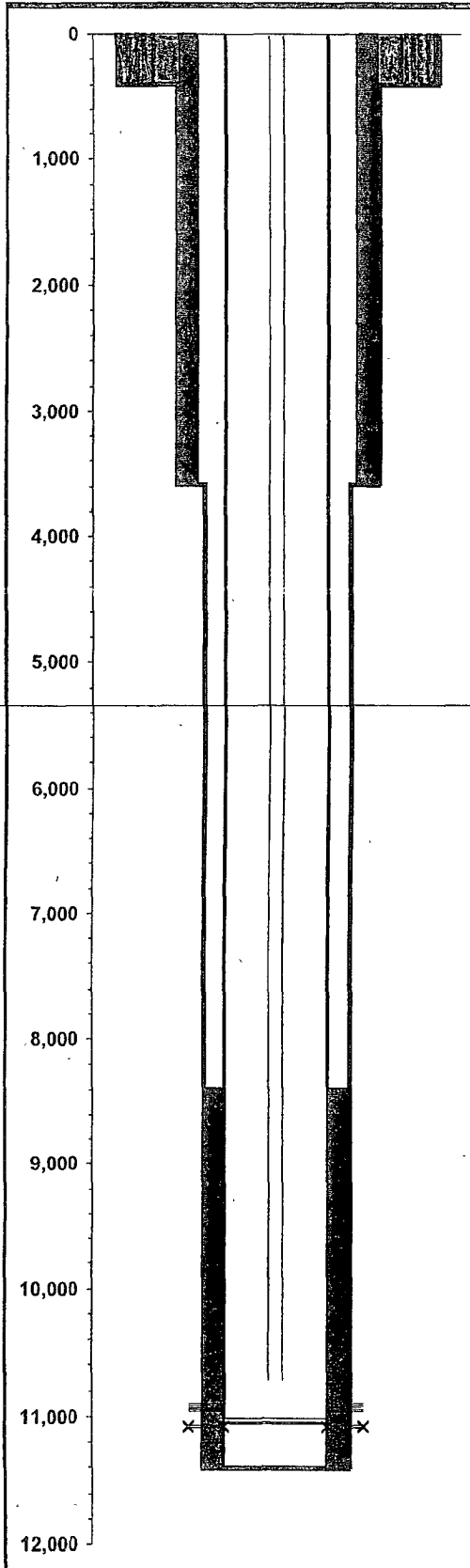
Wellbore Schematic (From Surface to TD)

Printed: 7/23/2008

Wright Federal Com # 1

Well ID: 101843-001

API # 30-015-21878



660 FSL & 1980 FWL	GL Elev:	3,455.00
Sec,Blk,Sur(Lbr,Lge,Sur)or(Sec,Twn,Rng): , 29, 29N-T18S-R29E	Fill Depth:	11,020
County, State: Eddy, NM	PBTD:	11,303.00
Aux ID:	TD:	11,390.00
KB = 13; DF = 12; All Depths Corr To: KB	BOP:	

Hole Size

Diameter	Top At	Btm At	Date Drilled
17.5000	0.00	390.00	7/14/1976
11.0000	390.00	3,585.00	7/23/1976
7.8750	3,585.00	11,390.00	8/23/1976

Surface Casing

Date Ran: 7/14/1976

Description	#	Diameter	Weight	Grade	Length	Top At	Btm At
Casing	9	13 3/8	48.00	N80	377.00	13.00	390.00

Intermediate Casing

Date Ran: 7/16/1976

Description	#	Diameter	Weight	Grade	Length	Top At	Btm At
Casing	32	8.6250	24.00	K55	1,436.00	13.00	1,449.00
Casing	52	8.6250	32.00	K55	2,135.00	1,449.00	3,584.00

Production Casing String 1

Date Ran: 8/25/1976

Description	#	Diameter	Weight	Grade	Length	Top At	Btm At
Casing		5.5000	17.00	N80	10,448.00	13.00	10,461.00
Casing		5.5000	20.00	N80	929.00	10,461.00	11,390.00

Cement

# Sx	Class	Weight	I D	O D	Top At	Btm At	TOC Per
375	C		13.375	17.500	0.00	383.00	Circ
1600	Howco Lit		8.625	11.000	0.00	3,585.00	Circ
850 sx Howco llight plus 200 sx Class C. Then 400 sx & 150 sx down 1" to surf.							
700	H		5.500	7.875	8,389.00	11,390.00	TS
w/ 3/4% CFR-2 & 8# salt							

Zone and Perfs

Morrow, North

Comments / Completion Summary

8/27/76 - Perf 11076-11086 w/6 jsf
 9/16/76 - F 7 203 mcf, 11 bc/mmc during 4 hr 4-pt test. 56.1 deg API @ 60F
 3/5/85 - Set BP @ 11050', dump 35' cmt on top. New PBTD 11015. Perf 10940-10950 w/ 4 spf.
 10/14/02 - Perf 10952-10958 and 10960-10966 4 spf,(48 shots). Also, re-perf existing 10940-10950 w/ 4spf (40 holes)
 10/21/02 Acidize new perfs w/ ?
 7/2/04 - CO salt, sand & some scale from 10930-11002'. Swab in.

Perforations

Top	Bottom	Formation	Status	Opened	Closed	# / Ft	Ttl #
10,908.00	10,914.00	Morrow, North	A	6/2/2008		4	24
10,940.00	10,950.00	Morrow, North	A	3/5/1985		4	40
Also reperfed 10940-50 on 10/14/02 w/4 spf							
10,952.00	10,958.00	Morrow, North	A	10/14/2002		4	24
10,960.00	10,966.00	Morrow, North	A	10/14/2002		4	24
11,076.00	11,086.00	Morrow, North	PA	7/25/1976	3/5/1985	6	60

Wellbore Plugs and Junk

Top	Bottom	Type	Diameter	Solid	Date
11,020.00	11,024.00	CIBP	5.500	Yes	10/14/2002
11,048.00	11,050.00	Cmt	5.500	Yes	3/5/1985
11,050.00	11,054.00	CIBP	5.500	Yes	3/5/1985

Accepted for record
 NMOCD

Wellbore Schematic (From Surface to TD)

Printed: 7/23/2008

Wright Federal Com # 1

Well ID: 101843-001

API # 30-015-21878

Tubing String 1

Date Ran: 6/20/2008

Description	#	Diameter	Weight	Grade	Length	Top At	Btm At
Tbg Sect 1	348	2.3750	4.70	N80	10,705.00	13.00	10,718.00
Stg Nipple	1	2.3750			1.10	10,718.00	10,719.10

Accepted for record
NMOCD

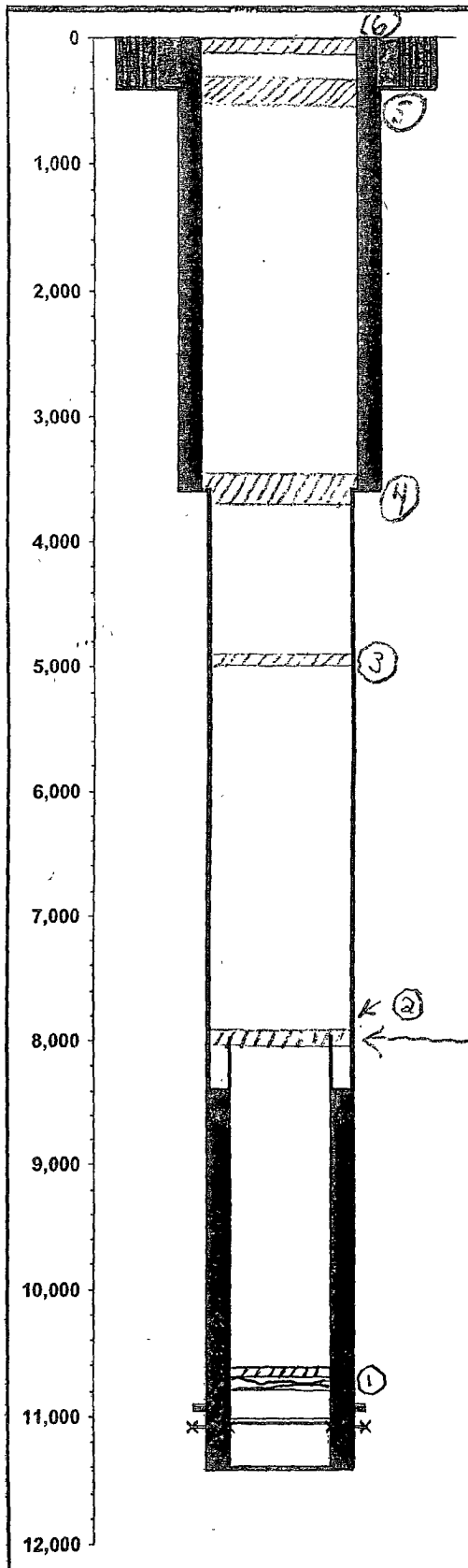
Wellbore Schematic

Printed: 7/23/2008

Wright Federal Com # 1

Well ID: 101843-001

API # 30-015-21878



660 FSL & 1980 FWL

Sec,Blk,Sur(Lbr,Lge,Sur)or(Sec,Twn,Rng): , 29, 29N-T18S-R29E

County, State: Eddy, NM

Aux ID:

KB = 13; DF = 12; All Depths Corr To: KB

GL Elev: 3,455.00

Fill Depth: 11,020

PBTD: 11,303.00

TD: 11,390.00

BOP:

- ① CIBP @ 12,225 w/35' of Cement
- ② Spot a 50 sack plug from 8050'-7950'
- ③ Spot a 75 sack plug from 5050'-4950'
- ④ Spot a 75 sack plug from 3634'-3534'
- ⑤ Spot a 75 sack plug from 440'-340'
- ⑥ Spot a 10 sack surface plug.

← Cut off 5-1/2" casing @ 2000' and 1000'

Accepted for record
NMOCD

P & A Procedure
Wright Federal Com #1
Eddy County, New Mexico

1. MIRU Plugging Unit.
2. ND Wellhead. NU BOP's.
3. POOH w/2-3/8" N- 80 tubing.
4. RIH w/5-1/2" CIBP, set CIBP @ 10825'. Dump bail 35' of cement on CIBP.
5. RIH W/2-3/8" N-80 Tbg. Circulate hole with 10 lb per gallon mud.
6. POOH W/2-3/8" TBG.
7. RU Wireline. RIH and cut off 5-1/2" casing @ 8000'. POOH W/5-1/2" casing.
8. Circ. Hole clean with 10 lb per gallon mud.
9. Spot a 50 sack plug from 8050' to 7950'.
10. RIH and tag plug. If plug not in place. Repeat step 9.
11. Fill Hole with 10 lb per gallon mud.
12. Spot a 50 sack plug from 5050' to 4950'.
13. RIH and tag plug. If plug not in place. Repeat step 12.
14. Fill Hole with 10 lb per gallon mud.
15. Spot a 75 sack plug from 3634' to 3534'.
16. RIH and tag plug. If plug not in place. Repeat step 15.
17. Fill Hole with 10 lb per gallon mud.
18. Spot a 75 sack plug from 440' to 340'.
19. RIH and tag plug. If plug not in place. Repeat step 18.
20. Fill Hole with 10 lb per gallon mud.
21. Spot a 10 sack surface plug.
22. Weld on marker as per instructions.
23. Cut off anchors. Fill in cellar and level location.
24. Clean off any junk on location.

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